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| <div>Form 5500</div> <div>Department of the Treasury<br/>Internal Revenue Service</div> <div>Department of Labor<br/>Employee Benefits Security<br/>Administration</div> <div>Pension Benefit Guaranty Corporation</div> | <div>Annual Return/Report of Employee Benefit Plan</div> <div>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).</div> <div>▶ Complete all entries in accordance with the instructions to the Form 5500.</div> | <div>OMB Nos. 1210-0110<br/>1210-0089</div> <div>2009</div> <div>This Form is Open to Public Inspection</div> |
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| 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: <div><div><input type="checkbox"/> a multiemployer plan;</div><div><input checked="" type="checkbox"/> a single-employer plan;</div><div><input type="checkbox"/> a multiple-employer plan; or</div><div><input type="checkbox"/> a DFE (specify) ____</div></div>                     |
| B                                                                                          | This return/report is: <div><div><input type="checkbox"/> the first return/report;</div><div><input type="checkbox"/> the final return/report;</div><div><input type="checkbox"/> an amended return/report;</div><div><input type="checkbox"/> a short plan year return/report (less than 12 months).</div></div> |
| C                                                                                          | If the plan is a collectively-bargained plan, check here. .... ▶ <input type="checkbox"/>                                                                                                                                                                                                                         |
| D                                                                                          | Check box if filing under: <div><div><input checked="" type="checkbox"/> Form 5558;</div><div><input type="checkbox"/> automatic extension;</div><div><input type="checkbox"/> the DFVC program;</div><div><input type="checkbox"/> special extension (enter description)</div></div>                             |

|         |                                                                                                                                                                                             |                                                                                                                                                         |
|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| Part II | Basic Plan Information—enter all requested information                                                                                                                                      |                                                                                                                                                         |
| 1a      | Name of plan<br>ACCLARENT INC 401(K) PLAN                                                                                                                                                   | 1b Three-digit plan number (PN) ▶ 001                                                                                                                   |
|         |                                                                                                                                                                                             | 1c Effective date of plan<br>01/01/2006                                                                                                                 |
| 2a      | Plan sponsor's name and address (employer, if for a single-employer plan)<br>(Address should include room or suite no.)<br>ACCLARENT INC<br><br>1525-B OBRIEN DRIVE<br>MENLO PARK, CA 94025 | 2b Employer Identification Number (EIN)<br>20-1772549<br>2c Sponsor's telephone number<br>650-687-5888<br>2d Business code (see instructions)<br>339110 |
|         | 1525-B OBRIEN DRIVE<br>MENLO PARK, CA 94025                                                                                                                                                 |                                                                                                                                                         |

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. | 09/15/2010 | CARMELA MARKLINGER                                           |
|           | Signature of plan administrator                   | Date       | Enter name of individual signing as plan administrator       |
| SIGN HERE | Filed with authorized/valid electronic signature. | 09/15/2010 | ANNE-MARIE HODKINSON                                         |
|           | 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                      |

|                                                                                                                                                             |                                                                                                               |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|
| <b>3a</b> Plan administrator's name and address (if same as plan sponsor, enter "Same")<br>ACCLARENT INC<br><br>1525-B OBRIEN DRIVE<br>MENLO PARK, CA 94025 | <b>3b</b> Administrator's EIN<br>20-1772549<br><br><b>3c</b> Administrator's telephone number<br>650-687-5888 |
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|                                                                                                                                                                                                                       |                                   |
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| <b>4</b> 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:<br><br><b>a</b> Sponsor's name | <b>4b</b> EIN<br><br><b>4c</b> PN |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|

  

|                                                                         |          |     |
|-------------------------------------------------------------------------|----------|-----|
| <b>5</b> Total number of participants at the beginning of the plan year | <b>5</b> | 315 |
|-------------------------------------------------------------------------|----------|-----|

  

|                                                                                                                                                        |           |     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----|
| <b>6</b> Number of participants as of the end of the plan year (welfare plans complete only lines <b>6a</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ). |           |     |
| <b>a</b> Active participants.....                                                                                                                      | <b>6a</b> | 333 |
| <b>b</b> Retired or separated participants receiving benefits.....                                                                                     | <b>6b</b> | 0   |
| <b>c</b> Other retired or separated participants entitled to future benefits.....                                                                      | <b>6c</b> | 21  |
| <b>d</b> Subtotal. Add lines <b>6a</b> , <b>6b</b> , and <b>6c</b> .....                                                                               | <b>6d</b> | 354 |
| <b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....                                              | <b>6e</b> | 0   |
| <b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> .....                                                                                                | <b>6f</b> | 354 |
| <b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....         | <b>6g</b> | 226 |
| <b>h</b> Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....             | <b>6h</b> | 0   |

  

|                                                                                                                                      |          |  |
|--------------------------------------------------------------------------------------------------------------------------------------|----------|--|
| <b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) ..... | <b>7</b> |  |
|--------------------------------------------------------------------------------------------------------------------------------------|----------|--|

  

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:  
 2E 2F 2G 2J 2K 2T 3D 3F

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

|                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                               |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>9a</b> Plan funding arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor | <b>9b</b> Plan benefit arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> 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)

|                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>a Pension Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information)<br>(2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary<br><br>(3) <input type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary | <b>b General Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information)<br>(2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan)<br>(3) <input type="checkbox"/> <b>A</b> (Insurance Information)<br>(4) <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information)<br>(5) <input type="checkbox"/> <b>D</b> (DFE/Participating Plan Information)<br>(6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules) |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                                                           |                                                                                                                                                                                                                        |                                                |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|
| <b>SCHEDULE C</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Service Provider Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br><br>▶ <b>File as an attachment to Form 5500.</b> | OMB No. 1210-0110                              |
|                                                                                                                                                                                                                           |                                                                                                                                                                                                                        | <b>2009</b>                                    |
|                                                                                                                                                                                                                           |                                                                                                                                                                                                                        | <b>This Form is Open to Public Inspection.</b> |
| For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009                                                                                                                                |                                                                                                                                                                                                                        |                                                |
| <b>A</b> Name of plan<br>ACCLARENT INC 401(K) PLAN                                                                                                                                                                        | <b>B</b> Three-digit plan number (PN) ▶                                                                                                                                                                                | 001                                            |
|                                                                                                                                                                                                                           |                                                                                                                                                                                                                        |                                                |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br>ACCLARENT INC                                                                                                                                            | <b>D</b> Employer Identification Number (EIN)<br>20-1772549                                                                                                                                                            |                                                |

|               |                                                        |
|---------------|--------------------------------------------------------|
| <b>Part I</b> | <b>Service Provider Information (see instructions)</b> |
|---------------|--------------------------------------------------------|

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

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

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

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

|                                                                                                                   |
|-------------------------------------------------------------------------------------------------------------------|
| <b>(b)</b> Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
|-------------------------------------------------------------------------------------------------------------------|

FIOOC

04-2647786

|                                                                                                                  |
|------------------------------------------------------------------------------------------------------------------|
| <b>(b)</b> Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation |
|------------------------------------------------------------------------------------------------------------------|

|                                                                                                                   |
|-------------------------------------------------------------------------------------------------------------------|
| <b>(b)</b> Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
|-------------------------------------------------------------------------------------------------------------------|

|                                                                                                                   |
|-------------------------------------------------------------------------------------------------------------------|
| <b>(b)</b> Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
|-------------------------------------------------------------------------------------------------------------------|

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

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

| <b>(b)</b><br>Service Code(s) | <b>(c)</b><br>Relationship to employer, employee organization, or person known to be a party-in-interest | <b>(d)</b><br>Enter direct compensation paid by the plan. If none, enter -0-. | <b>(e)</b><br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | <b>(f)</b><br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | <b>(g)</b><br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | <b>(h)</b><br>Did the service provider give you a formula instead of an amount or estimated amount? |
|-------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
| 60                            | RECORDKEEPER                                                                                             | 0                                                                             | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                         | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                                                   | 0                                                                                                                                                                                      | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                 |

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

AMERIPRISE FINANCIAL SERVICES INC

707 2ND AVE S  
MINNEAPOLIS, MN 55402

| <b>(b)</b><br>Service Code(s) | <b>(c)</b><br>Relationship to employer, employee organization, or person known to be a party-in-interest | <b>(d)</b><br>Enter direct compensation paid by the plan. If none, enter -0-. | <b>(e)</b><br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | <b>(f)</b><br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | <b>(g)</b><br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | <b>(h)</b><br>Did the service provider give you a formula instead of an amount or estimated amount? |
|-------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
| 61                            | ADVISOR                                                                                                  | 0                                                                             | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                         | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                                                   | 0                                                                                                                                                                                      | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                 |

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

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

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

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

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

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

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

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

**Part I Service Provider Information (continued)**

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

| (a) Enter service provider name as it appears on line 2                    | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|----------------------------------------------------------------------------|-----------------------------------------|-------------------------------------------|
| FIDELITY INVESTMENTS INSTITUTIONAL                                         | 60                                      | 0                                         |
| <b>(d)</b> Enter name and EIN (address) of source of indirect compensation |                                         |                                           |
| BLKRK EQUITY DIV A - PNC GLOBAL INV                                        | 0.25%                                   |                                           |
| 04-2871943                                                                 |                                         |                                           |
| <b>(a)</b> Enter service provider name as it appears on line 2             |                                         |                                           |
| FIDELITY INVESTMENTS INSTITUTIONAL                                         | 60                                      | 0                                         |
| <b>(d)</b> Enter name and EIN (address) of source of indirect compensation |                                         |                                           |
| BLKRK GLOBAL ALLOC A - PNC GLB INVE                                        | 0.25%                                   |                                           |
| 04-2871943                                                                 |                                         |                                           |
| <b>(a)</b> Enter service provider name as it appears on line 2             |                                         |                                           |
| FIDELITY INVESTMENTS INSTITUTIONAL                                         | 60                                      | 0                                         |
| <b>(d)</b> Enter name and EIN (address) of source of indirect compensation |                                         |                                           |
| BLKRK INTL OPP A - PNC GLOBAL INVES                                        | 0.25%                                   |                                           |
| 04-2871943                                                                 |                                         |                                           |

**Part I Service Provider Information (continued)**

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

| (a) Enter service provider name as it appears on line 2             | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
| FIDELITY INVESTMENTS INSTITUTIONAL                                  | 60                                                                                                                                                                 | 0                                         |
| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |                                           |
| BLKRK US OPPS INV A - PNC GLOBAL IN<br><br>04-2871943               | 0.25%                                                                                                                                                              |                                           |
| (a) Enter service provider name as it appears on line 2             | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
| FIDELITY INVESTMENTS INSTITUTIONAL                                  | 60                                                                                                                                                                 | 0                                         |
| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |                                           |
| COL CONTRARN CORE A - COLUMBIA MANA<br><br>04-2838628               | 0.25%                                                                                                                                                              |                                           |
| (a) Enter service provider name as it appears on line 2             | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
| FIDELITY INVESTMENTS INSTITUTIONAL                                  | 60                                                                                                                                                                 | 0                                         |
| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |                                           |
| EV DIV BUILDER A - PNC GLOBAL INVES<br><br>04-2871943               | 0.25%                                                                                                                                                              |                                           |

**Part I Service Provider Information (continued)**

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

| (a) Enter service provider name as it appears on line 2             | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
| FIDELITY INVESTMENTS INSTITUTIONAL                                  | 60                                                                                                                                                                 | 0                                         |
| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |                                           |
| GS TOLLKEEPER A - GOLDMAN, SACHS &<br><br>13-5108880                | 0.25%                                                                                                                                                              |                                           |
| (a) Enter service provider name as it appears on line 2             | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
| FIDELITY INVESTMENTS INSTITUTIONAL                                  | 60                                                                                                                                                                 | 0                                         |
| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |                                           |
| JANUS FLEXIBLE BD S - JANUS SERVICE<br><br>43-1804048               | 0.25%                                                                                                                                                              |                                           |
| (a) Enter service provider name as it appears on line 2             | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
| FIDELITY INVESTMENTS INSTITUTIONAL                                  | 60                                                                                                                                                                 | 0                                         |
| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |                                           |
| OPPHMR DEV MKTS A -<br>OPPENHEIMERFUND<br><br>13-2527171            | 0.25%                                                                                                                                                              |                                           |

**Part I Service Provider Information (continued)**

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

| (a) Enter service provider name as it appears on line 2                  | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
|--------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
| FIDELITY INVESTMENTS INSTITUTIONAL                                       | 60                                                                                                                                                                 | 0                                         |
| (d) Enter name and EIN (address) of source of indirect compensation      | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |                                           |
| OPPHMR GLOBAL OPP A - OPPENHEIMERFU<br><br>13-2527171                    | 0.25%                                                                                                                                                              |                                           |
| (a) Enter service provider name as it appears on line 2                  | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
| FIDELITY INVESTMENTS INSTITUTIONAL                                       | 60                                                                                                                                                                 | 0                                         |
| (d) Enter name and EIN (address) of source of indirect compensation      | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |                                           |
| PERKINS MID CP VAL S - JANUS SERVIC<br><br>43-1804048                    | 0.25%                                                                                                                                                              |                                           |
| (a) Enter service provider name as it appears on line 2                  | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
| FIDELITY INVESTMENTS INSTITUTIONAL                                       | 60                                                                                                                                                                 | 0                                         |
| (d) Enter name and EIN (address) of source of indirect compensation      | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |                                           |
| VK SMALL CAP VALUE A - VAN KAMPEN I<br>PO BOX 219286<br>KANSAS, MO 64121 | 0.25%                                                                                                                                                              |                                           |

**Part I Service Provider Information (continued)**

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

| (a) Enter service provider name as it appears on line 2 | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|---------------------------------------------------------|-----------------------------------------|-------------------------------------------|
| AMERIPRISE FINANCIAL SERVICES INC                       | 61                                      | 0                                         |

| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| COL CONTRARN CORE A - COLUMBIA MANA<br><br>04-3156901               | \$0-<\$3M=1.00% \$3M-<\$50M=0.50% \$50M+=0.25%                                                                                                                     |

| (a) Enter service provider name as it appears on line 2 | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|---------------------------------------------------------|-----------------------------------------|-------------------------------------------|
| AMERIPRISE FINANCIAL SERVICES INC                       | 61                                      | 0                                         |

| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| FA FREEDOM INC A - FIDELITY DISTRIB<br><br>04-2270522               | \$1M-<\$4M=1.00% \$4M-<\$25M=0.50% \$25M+=0.25%                                                                                                                    |

| (a) Enter service provider name as it appears on line 2 | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|---------------------------------------------------------|-----------------------------------------|-------------------------------------------|
| AMERIPRISE FINANCIAL SERVICES INC                       | 61                                      | 0                                         |

| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| FA FREEDOM 2005 A - FIDELITY DISTRIB<br><br>04-2270522              | \$1M-<\$4M=1.00% \$4M-<\$25M=0.50% \$25M+=0.25%                                                                                                                    |

**Part I Service Provider Information (continued)**

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

| (a) Enter service provider name as it appears on line 2 | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|---------------------------------------------------------|-----------------------------------------|-------------------------------------------|
| AMERIPRISE FINANCIAL SERVICES INC                       | 61                                      | 0                                         |

| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| FA FREEDOM 2010 A - FIDELITY DISTRI<br><br>04-2270522               | \$1M-<\$4M=1.00% \$4M-<\$25M=0.50% \$25M+=0.25%                                                                                                                    |

| (a) Enter service provider name as it appears on line 2 | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|---------------------------------------------------------|-----------------------------------------|-------------------------------------------|
| AMERIPRISE FINANCIAL SERVICES INC                       | 61                                      | 0                                         |

| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| FA FREEDOM 2015 A - FIDELITY DISTRI<br><br>04-2270522               | \$1M-<\$4M=1.00% \$4M-<\$25M=0.50% \$25M+=0.25%                                                                                                                    |

| (a) Enter service provider name as it appears on line 2 | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|---------------------------------------------------------|-----------------------------------------|-------------------------------------------|
| AMERIPRISE FINANCIAL SERVICES INC                       | 61                                      | 0                                         |

| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| FA FREEDOM 2020 A - FIDELITY DISTRI<br><br>04-2270522               | \$1M-<\$4M=1.00% \$4M-<\$25M=0.50% \$25M+=0.25%                                                                                                                    |

**Part I Service Provider Information (continued)**

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

| (a) Enter service provider name as it appears on line 2 | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|---------------------------------------------------------|-----------------------------------------|-------------------------------------------|
| AMERIPRISE FINANCIAL SERVICES INC                       | 61                                      | 0                                         |

| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| FA FREEDOM 2025 A - FIDELITY DISTRI<br><br>04-2270522               | \$1M-<\$4M=1.00% \$4M-<\$25M=0.50% \$25M+=0.25%                                                                                                                    |

| (a) Enter service provider name as it appears on line 2 | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|---------------------------------------------------------|-----------------------------------------|-------------------------------------------|
| AMERIPRISE FINANCIAL SERVICES INC                       | 61                                      | 0                                         |

| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| FA FREEDOM 2030 A - FIDELITY DISTRI<br><br>04-2270522               | \$1M-<\$4M=1.00% \$4M-<\$25M=0.50% \$25M+=0.25%                                                                                                                    |

| (a) Enter service provider name as it appears on line 2 | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|---------------------------------------------------------|-----------------------------------------|-------------------------------------------|
| AMERIPRISE FINANCIAL SERVICES INC                       | 61                                      | 0                                         |

| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| FA FREEDOM 2035 A - FIDELITY DISTRI<br><br>04-2270522               | \$1M-<\$4M=1.00% \$4M-<\$25M=0.50% \$25M+=0.25%                                                                                                                    |

**Part I Service Provider Information (continued)**

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

| (a) Enter service provider name as it appears on line 2                                                                                                                                                                      | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|-------------------------------------------|
| AMERIPRISE FINANCIAL SERVICES INC                                                                                                                                                                                            | 61                                      | 0                                         |
| <b>(d) Enter name and EIN (address) of source of indirect compensation</b>                                                                                                                                                   |                                         |                                           |
| <b>(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.</b><br>\$1M-<\$4M=1.00% \$4M-<\$25M=0.50% \$25M+=0.25% |                                         |                                           |
| FA FREEDOM 2040 A - FIDELITY DISTRI                                                                                                                                                                                          |                                         |                                           |
| 04-2270522                                                                                                                                                                                                                   |                                         |                                           |
| <b>(a) Enter service provider name as it appears on line 2</b>                                                                                                                                                               |                                         |                                           |
| AMERIPRISE FINANCIAL SERVICES INC                                                                                                                                                                                            | 61                                      | 0                                         |
| <b>(d) Enter name and EIN (address) of source of indirect compensation</b>                                                                                                                                                   |                                         |                                           |
| <b>(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.</b><br>\$1M-<\$4M=1.00% \$4M-<\$25M=0.50% \$25M+=0.25% |                                         |                                           |
| FA FREEDOM 2045 A - FIDELITY DISTRI                                                                                                                                                                                          |                                         |                                           |
| 04-2270522                                                                                                                                                                                                                   |                                         |                                           |
| <b>(a) Enter service provider name as it appears on line 2</b>                                                                                                                                                               |                                         |                                           |
| AMERIPRISE FINANCIAL SERVICES INC                                                                                                                                                                                            | 61                                      | 0                                         |
| <b>(d) Enter name and EIN (address) of source of indirect compensation</b>                                                                                                                                                   |                                         |                                           |
| <b>(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.</b><br>\$1M-<\$4M=1.00% \$4M-<\$25M=0.50% \$25M+=0.25% |                                         |                                           |
| FA FREEDOM 2050 A - FIDELITY DISTRI                                                                                                                                                                                          |                                         |                                           |
| 04-2270522                                                                                                                                                                                                                   |                                         |                                           |

**Part I Service Provider Information (continued)**

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

| (a) Enter service provider name as it appears on line 2 | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|---------------------------------------------------------|-----------------------------------------|-------------------------------------------|
| AMERIPRISE FINANCIAL SERVICES INC                       | 61                                      | 0                                         |

| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| FA GOV INCOME A - FIDELITY DISTRIBU<br><br>04-2270522               | \$1M-<\$4M=1.00% \$4M-<\$25M=0.50% \$25M+=0.25%                                                                                                                    |

| (a) Enter service provider name as it appears on line 2 | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|---------------------------------------------------------|-----------------------------------------|-------------------------------------------|
| AMERIPRISE FINANCIAL SERVICES INC                       | 61                                      | 0                                         |

| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| FA HIGH INCOME A - FIDELITY DISTRIB<br><br>04-2270522               | \$1M-<\$4M=1.00% \$4M-<\$25M=0.50% \$25M+=0.25%                                                                                                                    |

| (a) Enter service provider name as it appears on line 2 | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|---------------------------------------------------------|-----------------------------------------|-------------------------------------------|
| AMERIPRISE FINANCIAL SERVICES INC                       | 61                                      | 0                                         |

| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| FA INTL DISCOVERY A - FIDELITY DIST<br><br>04-2270522               | \$1M-<\$4M=1.00% \$4M-<\$25M=0.50% \$25M+=0.25%                                                                                                                    |

**Part I Service Provider Information (continued)**

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

| (a) Enter service provider name as it appears on line 2                                                                                                                                                                      | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|-------------------------------------------|
| AMERIPRISE FINANCIAL SERVICES INC                                                                                                                                                                                            | 61                                      | 0                                         |
| <b>(d)</b> Enter name and EIN (address) of source of indirect compensation                                                                                                                                                   |                                         |                                           |
| <b>(e)</b> Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.<br>\$1M-<\$4M=1.00% \$4M-<\$25M=0.50% \$25M+=0.25% |                                         |                                           |
| FA NEW INSIGHTS A - FIDELITY DISTRI                                                                                                                                                                                          |                                         |                                           |
| 04-2270522                                                                                                                                                                                                                   |                                         |                                           |
| <b>(a)</b> Enter service provider name as it appears on line 2                                                                                                                                                               |                                         |                                           |
| AMERIPRISE FINANCIAL SERVICES INC                                                                                                                                                                                            | 61                                      | 0                                         |
| <b>(d)</b> Enter name and EIN (address) of source of indirect compensation                                                                                                                                                   |                                         |                                           |
| <b>(e)</b> Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.<br>\$1M-<\$4M=1.00% \$4M-<\$25M=0.50% \$25M+=0.25% |                                         |                                           |
| FA SMALL CAP A - FIDELITY DISTRIBUT                                                                                                                                                                                          |                                         |                                           |
| 04-2270522                                                                                                                                                                                                                   |                                         |                                           |
| <b>(a)</b> Enter service provider name as it appears on line 2                                                                                                                                                               |                                         |                                           |
| AMERIPRISE FINANCIAL SERVICES INC                                                                                                                                                                                            | 61                                      | 0                                         |
| <b>(d)</b> Enter name and EIN (address) of source of indirect compensation                                                                                                                                                   |                                         |                                           |
| <b>(e)</b> Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.<br>\$1M-<\$4M=1.00% \$4M-<\$25M=0.50% \$25M+=0.25% |                                         |                                           |
| FA STRAT INCOME A - FIDELITY DISTRI                                                                                                                                                                                          |                                         |                                           |
| 04-2270522                                                                                                                                                                                                                   |                                         |                                           |

**Part I Service Provider Information (continued)**

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

| (a) Enter service provider name as it appears on line 2 | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|---------------------------------------------------------|-----------------------------------------|-------------------------------------------|
| AMERIPRISE FINANCIAL SERVICES INC                       | 61                                      | 0                                         |

| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| OPPHMR DEV MKTS A -<br>OPPENHEIMERFUND<br><br>13-2953455            | \$5M+=0.25%                                                                                                                                                        |

| (a) Enter service provider name as it appears on line 2 | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|---------------------------------------------------------|-----------------------------------------|-------------------------------------------|
| AMERIPRISE FINANCIAL SERVICES INC                       | 61                                      | 0                                         |

| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| OPPHMR GLOBAL OPP A - OPPENHEIMERFU<br><br>13-2953455               | \$5M+=0.25%                                                                                                                                                        |

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

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

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

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

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

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

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN;       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN;       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                      |                                               |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|
| <b>SCHEDULE H</b><br><b>(Form 5500)</b><br>Department of the Treasury<br>Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | <b>Financial Information</b><br>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).<br><b>► File as an attachment to Form 5500.</b> | OMB No. 1210-0110                             |
|                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                      | <b>2009</b>                                   |
|                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                      | <b>This Form is Open to Public Inspection</b> |

|                                                                                            |                                                             |     |
|--------------------------------------------------------------------------------------------|-------------------------------------------------------------|-----|
| For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009 |                                                             |     |
| <b>A</b> Name of plan<br>ACCLARENT INC 401(K) PLAN                                         | <b>B</b> Three-digit plan number (PN) ►                     | 001 |
|                                                                                            |                                                             |     |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br>ACCLARENT INC             | <b>D</b> Employer Identification Number (EIN)<br>20-1772549 |     |

|               |                                      |
|---------------|--------------------------------------|
| <b>Part I</b> | <b>Asset and Liability Statement</b> |
|---------------|--------------------------------------|

**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 |
|---------------------------------------------------------------------------------------------------|-----------------|-----------------------|-----------------|
| <b>a</b> Total noninterest-bearing cash .....                                                     | <b>1a</b>       |                       |                 |
| <b>b</b> Receivables (less allowance for doubtful accounts):                                      |                 |                       |                 |
| <b>(1)</b> Employer contributions .....                                                           | <b>1b(1)</b>    |                       |                 |
| <b>(2)</b> Participant contributions .....                                                        | <b>1b(2)</b>    | 46614                 | 67098           |
| <b>(3)</b> Other.....                                                                             | <b>1b(3)</b>    |                       |                 |
| <b>c</b> General investments:                                                                     |                 |                       |                 |
| <b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit) .....  | <b>1c(1)</b>    | 445862                | 250366          |
| <b>(2)</b> U.S. Government securities.....                                                        | <b>1c(2)</b>    |                       |                 |
| <b>(3)</b> Corporate debt instruments (other than employer securities):                           |                 |                       |                 |
| <b>(A)</b> Preferred .....                                                                        | <b>1c(3)(A)</b> |                       |                 |
| <b>(B)</b> All other.....                                                                         | <b>1c(3)(B)</b> |                       |                 |
| <b>(4)</b> Corporate stocks (other than employer securities):                                     |                 |                       |                 |
| <b>(A)</b> Preferred .....                                                                        | <b>1c(4)(A)</b> |                       |                 |
| <b>(B)</b> Common .....                                                                           | <b>1c(4)(B)</b> |                       |                 |
| <b>(5)</b> Partnership/joint venture interests .....                                              | <b>1c(5)</b>    |                       |                 |
| <b>(6)</b> Real estate (other than employer real property) .....                                  | <b>1c(6)</b>    |                       |                 |
| <b>(7)</b> Loans (other than to participants) .....                                               | <b>1c(7)</b>    |                       |                 |
| <b>(8)</b> Participant loans .....                                                                | <b>1c(8)</b>    | 19084                 | 111243          |
| <b>(9)</b> Value of interest in common/collective trusts.....                                     | <b>1c(9)</b>    |                       |                 |
| <b>(10)</b> Value of interest in pooled separate accounts.....                                    | <b>1c(10)</b>   |                       |                 |
| <b>(11)</b> Value of interest in master trust investment accounts .....                           | <b>1c(11)</b>   |                       |                 |
| <b>(12)</b> Value of interest in 103-12 investment entities .....                                 | <b>1c(12)</b>   |                       |                 |
| <b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds).....        | <b>1c(13)</b>   | 2153716               | 5237703         |
| <b>(14)</b> Value of funds held in insurance company general account (unallocated contracts)..... | <b>1c(14)</b>   |                       |                 |
| <b>(15)</b> Other .....                                                                           | <b>1c(15)</b>   |                       |                 |

**1d** Employer-related investments:

|                                                                      |              | (a) Beginning of Year | (b) End of Year |
|----------------------------------------------------------------------|--------------|-----------------------|-----------------|
| (1) Employer securities .....                                        | <b>1d(1)</b> |                       |                 |
| (2) Employer real property .....                                     | <b>1d(2)</b> |                       |                 |
| <b>e</b> Buildings and other property used in plan operation .....   | <b>1e</b>    |                       |                 |
| <b>f</b> Total assets (add all amounts in lines 1a through 1e) ..... | <b>1f</b>    | 2665276               | 5666410         |

**Liabilities**

|                                                                           |           |   |   |
|---------------------------------------------------------------------------|-----------|---|---|
| <b>g</b> Benefit claims payable .....                                     | <b>1g</b> |   |   |
| <b>h</b> Operating payables .....                                         | <b>1h</b> |   |   |
| <b>i</b> Acquisition indebtedness .....                                   | <b>1i</b> |   |   |
| <b>j</b> Other liabilities .....                                          | <b>1j</b> |   |   |
| <b>k</b> Total liabilities (add all amounts in lines 1g through 1j) ..... | <b>1k</b> | 0 | 0 |

**Net Assets**

|                                                           |           |         |         |
|-----------------------------------------------------------|-----------|---------|---------|
| <b>l</b> Net assets (subtract line 1k from line 1f) ..... | <b>1l</b> | 2665276 | 5666410 |
|-----------------------------------------------------------|-----------|---------|---------|

**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 Contributions:**

|                                                                                                            |                 | (a) Amount | (b) Total |
|------------------------------------------------------------------------------------------------------------|-----------------|------------|-----------|
| (1) Received or receivable in cash from: <b>(A)</b> Employers .....                                        | <b>2a(1)(A)</b> |            |           |
| <b>(B)</b> Participants .....                                                                              | <b>2a(1)(B)</b> | 2072506    |           |
| <b>(C)</b> Others (including rollovers) .....                                                              | <b>2a(1)(C)</b> | 168705     |           |
| (2) Noncash contributions .....                                                                            | <b>2a(2)</b>    |            |           |
| (3) Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> ..... | <b>2a(3)</b>    |            | 2241211   |

**b Earnings on investments:****(1) Interest:**

|                                                                                                      |                 |         |         |
|------------------------------------------------------------------------------------------------------|-----------------|---------|---------|
| <b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit) ..... | <b>2b(1)(A)</b> | 1080280 |         |
| <b>(B)</b> U.S. Government securities .....                                                          | <b>2b(1)(B)</b> |         |         |
| <b>(C)</b> Corporate debt instruments .....                                                          | <b>2b(1)(C)</b> |         |         |
| <b>(D)</b> Loans (other than to participants) .....                                                  | <b>2b(1)(D)</b> |         |         |
| <b>(E)</b> Participant loans .....                                                                   | <b>2b(1)(E)</b> | 888     |         |
| <b>(F)</b> Other .....                                                                               | <b>2b(1)(F)</b> |         |         |
| <b>(G)</b> Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....                        | <b>2b(1)(G)</b> |         | 1081168 |

|                                                                                           |                 |       |       |
|-------------------------------------------------------------------------------------------|-----------------|-------|-------|
| (2) Dividends: <b>(A)</b> Preferred stock .....                                           | <b>2b(2)(A)</b> |       |       |
| <b>(B)</b> Common stock .....                                                             | <b>2b(2)(B)</b> |       |       |
| <b>(C)</b> Registered investment company shares (e.g. mutual funds) .....                 | <b>2b(2)(C)</b> | 72419 |       |
| <b>(D)</b> Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> ..... | <b>2b(2)(D)</b> |       | 72419 |

|                 |              |  |  |
|-----------------|--------------|--|--|
| (3) Rents ..... | <b>2b(3)</b> |  |  |
|-----------------|--------------|--|--|

|                                                                                           |                 |  |  |
|-------------------------------------------------------------------------------------------|-----------------|--|--|
| (4) Net gain (loss) on sale of assets: <b>(A)</b> Aggregate proceeds .....                | <b>2b(4)(A)</b> |  |  |
| <b>(B)</b> Aggregate carrying amount (see instructions) .....                             | <b>2b(4)(B)</b> |  |  |
| <b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result ..... | <b>2b(4)(C)</b> |  |  |

|                                                                                                   |                 | (a) Amount | (b) Total |
|---------------------------------------------------------------------------------------------------|-----------------|------------|-----------|
| <b>2b</b> (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....              | <b>2b(5)(A)</b> |            |           |
| (B) Other .....                                                                                   | <b>2b(5)(B)</b> |            |           |
| (C) Total unrealized appreciation of assets.<br>Add lines <b>2b(5)(A)</b> and <b>(B)</b> .....    | <b>2b(5)(C)</b> |            |           |
| (6) Net investment gain (loss) from common/collective trusts .....                                | <b>2b(6)</b>    |            |           |
| (7) Net investment gain (loss) from pooled separate accounts .....                                | <b>2b(7)</b>    |            |           |
| (8) Net investment gain (loss) from master trust investment accounts .....                        | <b>2b(8)</b>    |            |           |
| (9) Net investment gain (loss) from 103-12 investment entities .....                              | <b>2b(9)</b>    |            |           |
| (10) Net investment gain (loss) from registered investment<br>companies (e.g., mutual funds)..... | <b>2b(10)</b>   |            | 5149      |
| <b>c</b> Other income.....                                                                        | <b>2c</b>       |            |           |
| <b>d</b> Total income. Add all <b>income</b> amounts in column (b) and enter total.....           | <b>2d</b>       |            | 3399947   |

**Expenses**

|                                                                                            |              |        |        |
|--------------------------------------------------------------------------------------------|--------------|--------|--------|
| <b>e</b> Benefit payment and payments to provide benefits:                                 |              |        |        |
| (1) Directly to participants or beneficiaries, including direct rollovers .....            | <b>2e(1)</b> | 295744 |        |
| (2) To insurance carriers for the provision of benefits .....                              | <b>2e(2)</b> |        |        |
| (3) Other .....                                                                            | <b>2e(3)</b> |        |        |
| (4) Total benefit payments. Add lines <b>2e(1)</b> through <b>(3)</b> .....                | <b>2e(4)</b> |        | 295744 |
| <b>f</b> Corrective distributions (see instructions) .....                                 | <b>2f</b>    |        | 103069 |
| <b>g</b> Certain deemed distributions of participant loans (see instructions).....         | <b>2g</b>    |        |        |
| <b>h</b> Interest expense.....                                                             | <b>2h</b>    |        |        |
| <b>i</b> Administrative expenses: (1) Professional fees .....                              | <b>2i(1)</b> |        |        |
| (2) Contract administrator fees .....                                                      | <b>2i(2)</b> |        |        |
| (3) Investment advisory and management fees .....                                          | <b>2i(3)</b> |        |        |
| (4) Other .....                                                                            | <b>2i(4)</b> |        |        |
| (5) Total administrative expenses. Add lines <b>2i(1)</b> through <b>(4)</b> .....         | <b>2i(5)</b> |        |        |
| <b>j</b> Total expenses. Add all <b>expense</b> amounts in column (b) and enter total..... | <b>2j</b>    |        | 398813 |

**Net Income and Reconciliation**

|                                                                               |              |  |         |
|-------------------------------------------------------------------------------|--------------|--|---------|
| <b>k</b> Net income (loss). Subtract line <b>2j</b> from line <b>2d</b> ..... | <b>2k</b>    |  | 3001134 |
| <b>l</b> Transfers of assets:                                                 |              |  |         |
| (1) To this plan.....                                                         | <b>2l(1)</b> |  |         |
| (2) From this plan .....                                                      | <b>2l(2)</b> |  |         |

**Part III Accountant's Opinion**

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

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

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

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

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

(1) Name: ZAJAC & PERRONE LLP

(2) EIN: 77-0423480

**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 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|--------|
| <b>a</b> 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.).....                 | <input checked="" type="checkbox"/> |                                     | 96331  |
| <b>b</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.)..... |                                     | <input checked="" type="checkbox"/> |        |
| <b>c</b> 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.) .....                                                                                                                            |                                     | <input checked="" type="checkbox"/> |        |
| <b>d</b> 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.).....                                                                                                                  |                                     | <input checked="" type="checkbox"/> |        |
| <b>e</b> Was this plan covered by a fidelity bond?.....                                                                                                                                                                                                                                                         | <input checked="" type="checkbox"/> |                                     | 400000 |
| <b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? .....                                                                                                                                                                         |                                     | <input checked="" type="checkbox"/> |        |
| <b>g</b> 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? .....                                                                                                                                      |                                     | <input checked="" type="checkbox"/> |        |
| <b>h</b> 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? .....                                                                                                                            |                                     | <input checked="" type="checkbox"/> |        |
| <b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....                                                                                                                                                   | <input checked="" type="checkbox"/> |                                     |        |
| <b>j</b> 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.).....                                                                                    |                                     | <input checked="" type="checkbox"/> |        |
| <b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....                                                                                                                                              |                                     | <input checked="" type="checkbox"/> |        |
| <b>l</b> Has the plan failed to provide any benefit when due under the plan? .....                                                                                                                                                                                                                              |                                     | <input checked="" type="checkbox"/> |        |
| <b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....                                                                                                                                                                                     | <input checked="" type="checkbox"/> |                                     |        |
| <b>n</b> 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. ....                                                                                                                        | <input checked="" type="checkbox"/> |                                     |        |

- 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) |
|-----------------------|--------------|-------------|
|                       |              |             |
|                       |              |             |
|                       |              |             |
|                       |              |             |

|                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                            |                                                                                            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|
| <b>SCHEDULE R</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Retirement Plan Information</b><br><br>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).<br><br>▶ <b>File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><b>2009</b><br><br><b>This Form is Open to Public Inspection.</b> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|

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

|                                                                                       |                                                                    |
|---------------------------------------------------------------------------------------|--------------------------------------------------------------------|
| <b>A</b> Name of plan<br><u>ACCLARENT INC 401(K) PLAN</u>                             | <b>B</b> Three-digit plan number (PN) ▶<br><u>001</u>              |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>ACCLARENT INC</u> | <b>D</b> Employer Identification Number (EIN)<br><u>20-1772549</u> |

|               |                      |
|---------------|----------------------|
| <b>Part I</b> | <b>Distributions</b> |
|---------------|----------------------|

All references to distributions relate only to payments of benefits during the plan year.

|                                                                                                                                                                                                                                                                    |          |          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|----------|
| <b>1</b> Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....                                                                                                                              | <b>1</b> | <u>0</u> |
| <b>2</b> 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):<br><br>EIN(s): <u>45-0404698</u> |          |          |
| Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.                                                                                                                                                                                                   |          |          |
| <b>3</b> Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....                                                                                                                                    | <b>3</b> |          |

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

|                                                                                                                                                                                                                                                                                                                                                             |                              |                             |                              |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------------|------------------------------|
| <b>4</b> Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....                                                                                                                                                                                                                                         | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| If the plan is a defined benefit plan, go to line 8.                                                                                                                                                                                                                                                                                                        |                              |                             |                              |
| <b>5</b> 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 _____<br>If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule. |                              |                             |                              |
| <b>6 a</b> Enter the minimum required contribution for this plan year .....                                                                                                                                                                                                                                                                                 | <b>6a</b>                    |                             |                              |
| <b>b</b> Enter the amount contributed by the employer to the plan for this plan year .....                                                                                                                                                                                                                                                                  | <b>6b</b>                    |                             |                              |
| <b>c</b> 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).....                                                                                                                                                                                                             | <b>6c</b>                    |                             |                              |
| If you completed line 6c, skip lines 8 and 9.                                                                                                                                                                                                                                                                                                               |                              |                             |                              |
| <b>7</b> Will the minimum funding amount reported on line 6c be met by the funding deadline? .....                                                                                                                                                                                                                                                          | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| <b>8</b> 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?.....                                                                                                     | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |

|                 |                   |
|-----------------|-------------------|
| <b>Part III</b> | <b>Amendments</b> |
|-----------------|-------------------|

|                                                                                                                                                                                                                                |                                   |                                   |                               |                             |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-------------------------------|-----------------------------|
| <b>9</b> 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..... | <input type="checkbox"/> Increase | <input type="checkbox"/> Decrease | <input type="checkbox"/> Both | <input type="checkbox"/> No |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-------------------------------|-----------------------------|

|                |                                                                                                                                                   |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part IV</b> | <b>ESOPs</b> (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. |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                              |                              |                             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------------|
| <b>10</b> Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....                                                       | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>11 a</b> Does the ESOP hold any preferred stock? .....                                                                                                                                    | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>b</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.) ..... | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>12</b> Does the ESOP hold any stock that is not readily tradable on an established securities market? .....                                                                               | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Schedule R (Form 5500) 2009  
v.092308.1

**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): \_\_\_\_\_

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

|                                                                          |            |  |
|--------------------------------------------------------------------------|------------|--|
| <b>a</b> The current year .....                                          | <b>14a</b> |  |
| <b>b</b> The plan year immediately preceding the current plan year ..... | <b>14b</b> |  |
| <b>c</b> The second preceding plan year .....                            | <b>14c</b> |  |

- 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:

|                                                                                                       |            |  |
|-------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> The corresponding number for the plan year immediately preceding the current plan year ..... | <b>15a</b> |  |
| <b>b</b> The corresponding number for the second preceding plan year .....                            | <b>15b</b> |  |

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

|                                                                                                                                                                        |            |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> Enter the number of employers who withdrew during the preceding plan year .....                                                                               | <b>16a</b> |  |
| <b>b</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 ..... | <b>16b</b> |  |

- 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): \_\_\_\_\_

# ***ACCLARENT, INC. 401(k) PLAN***

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Financial Statements and Supplemental Schedules  
Years Ended December 31, 2009 and 2008  
And Independent Auditors' Report

**ACCLARENT, INC. 401(k) PLAN**  
**TABLE OF CONTENTS**

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|                                                                                                             | <u>Page</u> |
|-------------------------------------------------------------------------------------------------------------|-------------|
| FINANCIAL STATEMENTS:                                                                                       |             |
| Independent auditors' report                                                                                | 1           |
| Statements of net assets available for benefits as of December 31, 2009 and 2008                            | 2           |
| Statement of changes in net assets available for benefits for the years ended<br>December 31, 2009 and 2008 | 3           |
| Notes to financial statements                                                                               | 4-9         |
| SUPPLEMENTAL SCHEDULES AS OF DECEMBER 31, 2009:                                                             |             |
| Schedule H, 4a - Schedule of delinquent participant contributions                                           | 10          |
| Schedule H, 4i - Schedule of assets (held at end of year)                                                   | 11          |

## INDEPENDENT AUDITORS' REPORT

Administrative Committee  
Acclarent, Inc. 401(k) Plan  
San Jose, California

We were engaged to audit the financial statements and supplemental schedules of the Acclarent, Inc. 401(k) Plan (the Plan) as of December 31, 2009 and 2008, and for the years then ended, as listed in the accompanying table of contents. These financial statements and supplemental schedules are the responsibility of the Plan's management.

As permitted by 29 CFR Section 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 6, which was certified by Fidelity Management Trust Company and Frontier Trust Company, the custodians of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedules. We have been informed by the Plan administrator that Fidelity Management Trust Company held the Plan's investment assets and executes investment transactions from December 1, 2009 to December 31, 2009, and that Frontier Trust Company held the Plan's investment assets and executed investment transactions as of December 31, 2008 and for the period January 1, 2008 to November 30, 2009. The Plan administrator has obtained a certification from the custodians as of and for the years ended December 31, 2009 and 2008 that the information provided to the Plan administrator by the custodians is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedules taken as a whole. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

*ZAJAC & PERRONE LLP*

July 16, 2010

**ACCLARENT, INC. 401(k) PLAN**  
**STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS**

|                                          | December 31,        |                     |
|------------------------------------------|---------------------|---------------------|
|                                          | 2009                | 2008                |
| <b>ASSETS:</b>                           |                     |                     |
| Investments, at fair value:              |                     |                     |
| Mutual funds                             | \$ 5,237,703        | \$ 2,599,578        |
| Money market                             | 250,366             | -                   |
| Participant loans                        | 111,243             | 19,084              |
|                                          | 5,599,312           | 2,618,662           |
| Participant contributions receivable     | 67,098              | 46,614              |
|                                          | 5,666,410           | 2,665,276           |
| <b>LIABILITIES:</b>                      |                     |                     |
| Excess contributions payable             | -                   | 106,533             |
| <b>NET ASSETS AVAILABLE FOR BENEFITS</b> | <b>\$ 5,666,410</b> | <b>\$ 2,558,743</b> |

See independent auditors' report and notes to financial statements.

**ACCLARENT, INC. 401(k) PLAN****STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS**

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|                                                  | Years Ended December 31, |                     |
|--------------------------------------------------|--------------------------|---------------------|
|                                                  | 2009                     | 2008                |
| <b>ADDITIONS TO NET ASSETS ATTRIBUTED TO:</b>    |                          |                     |
| Investment income:                               |                          |                     |
| Net appreciation in fair value of investments    | \$ 1,059,292             | \$ -                |
| Interest and dividends                           | 100,368                  | 67,502              |
|                                                  | 1,159,660                | 67,502              |
| Contributions:                                   |                          |                     |
| Participants'                                    | 2,179,039                | 1,724,649           |
| Participant rollovers from other qualified plans | 168,705                  | 382,267             |
|                                                  | 2,347,744                | 2,106,916           |
| TOTAL ADDITIONS                                  | 3,507,404                | 2,174,418           |
| <b>DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:</b> |                          |                     |
| Net depreciation in fair value of investments    | -                        | 1,352,236           |
| Benefits paid to participants                    | 398,832                  | 312,676             |
| Administrative expenses                          | 905                      | 881                 |
| TOTAL DEDUCTIONS                                 | 399,737                  | 1,665,793           |
| <b>NET INCREASE DURING THE YEAR</b>              | 3,107,667                | 508,625             |
| <b>NET ASSETS AVAILABLE FOR PLAN BENEFITS:</b>   |                          |                     |
| Beginning of year                                | 2,558,743                | 2,050,118           |
| End of year                                      | <u>\$ 5,666,410</u>      | <u>\$ 2,558,743</u> |

See independent auditors' report and notes to financial statements.

**ACCLARENT, INC. 401(k) PLAN**  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2009 AND 2008  
(See independent auditors' report)

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**NOTE 1 - DESCRIPTION OF THE PLAN**

The following description of the Acclarent, Inc. 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

*General*

The Plan is a defined contribution plan that was established on January 1, 2006 to provide benefits to eligible employees of Acclarent, Inc. (the Company) and was restated effective December 1, 2009. The Plan administrator believes that the Plan is designed and operated in compliance with the applicable requirements of the Internal Revenue Code and the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended. In January 2010, the Company was acquired by Ethicon, Inc., a wholly-owned subsidiary of Johnson & Johnson.

*Administration*

From the period January 1, 2008 through November 30, 2009 the Company contracted with Ascensus, a third-party administrator to process and maintain the records of the participant data and Frontier Trust Company (Frontier) to serve as the trustee and custodian of the Plan assets. Effective December 1, 2009, the Company contracted with Fidelity Management Trust Company (Fidelity) to act as the custodian of the Plan assets. In addition, the Company has contracted with Fidelity Investments Institutional Operations Company, Inc. to process and maintain the participant data records.

*Eligibility*

All employees of the Company are immediately eligible to participate in the Plan.

*Participant Accounts*

A separate individual account is established within the Plan for each participant. Each participant's account is credited with the participant's contribution, an allocation of the Company's matching contribution, if any, an allocation of Plan earnings or losses, and administrative expenses.

*Participant Contributions*

Participants may elect to have the Company contribute a percentage of their pre-tax annual compensation, as defined in the Plan, and up to the amount allowable under current income tax regulations. Effective December 1, 2009, unless an eligible employee affirmatively elects otherwise, employees will be automatically enrolled in the plan at an enrollment rate of 3%. Participants who elect to have the Company contribute a portion of their compensation to the Plan agree to accept an equivalent reduction in taxable compensation. Contributions withheld are invested in accordance with the participants' direction.

Participants are also allowed to make rollover contributions of amounts received from other qualified employer-sponsored retirement plans. Such contributions are deposited in the appropriate investment funds in accordance with the participants' direction and the Plan's provisions.

*Employer Contributions*

As set forth in the Plan, the Company may make discretionary matching employer contributions in an amount equal to a percentage of the eligible contributions made by each eligible participant to the Plan. The Company did not make any contributions to the Plan for the years ended December 31, 2009 and 2008.

*Vesting*

For the period January 1, 2009 through November 30, 2009, participants were immediately vested in their salary deferral, rollover contributions, Company contributions, if any, and the related earnings or losses.

**ACCLARENT, INC. 401(k) PLAN**  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2009 AND 2008  
(See independent auditors' report)

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Effective December 1, 2009, participants vest in 25% annual increments and are fully vested in the employer's matching contributions after four years of service. In the event that the termination of service is the result of death or disability of a participant, the participant's account balance automatically becomes fully vested.

*Forfeitures*

Unallocated employer contributions, if any, are used to reduce future employer contributions. There were no forfeitures in 2009 and 2008.

*Investments*

Investments of the Plan are held by Fidelity. All investments are invested based solely upon instructions received from the participants.

*Participant Loans*

The Plan allows participants to borrow up to the lesser of \$50,000, reduced by the highest outstanding loan balance from the Plan during the previous 12 months, if any, or 50% of their vested account balance. The loans are secured by up to 50% of the participant's vested account balance. Such loans bear interest at a reasonable rate as determined by the Plan administrator and must be repaid within a five-year period, unless the loan is for the purchase of a principal residence, in which case the loan may have a repayment period that exceeds five years from the date of the loan. The specific terms and conditions of such loans are established by the Company.

*Payment of Benefits*

Benefits are payable when the participant retires, when employment is terminated or upon death or disability. A participant may also elect a hardship distribution from his deferral contributions account in accordance with the Plan's policy. As set forth in the Plan, the amount payable may be distributed to the participant or directly rolled over to a qualified retirement plan in a lump sum amount equal to the vested value of the participant's account.

**NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES**

*Basis of Accounting*

The financial statements of the Plan have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

*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. See Note 4 for discussion of fair value measurements.

The net change in fair value of investments includes the unrealized appreciation or depreciation arising from the differences between the fair value at the beginning of the year and at the end of the year and includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis, and dividends are recorded on the ex-dividend date.

*Contributions*

Participant contributions are recorded in the year in which the Company makes payroll deductions from the participants' earnings.

**ACCLARENT, INC. 401(k) PLAN**  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2009 AND 2008  
(See independent auditors' report)

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*Benefit Payments*

Benefits are recorded when paid.

*Administrative Expenses*

Unless paid by the Company, all administrative expenses are to be paid by the Plan. The Company paid the majority of the Plan expenses during each year.

*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 at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Accordingly, actual results could differ from those estimates.

*Concentration of Credit Risks*

The Plan offers a variety of investment options, each with a different level of risk that is commensurate with the investment option's investment strategy and targeted investment composition. Additionally, the quality of the securities in each investment option is affected by the expertise of the fund manager and/or investment advisors. Further diversification of investment risk is available to participants by investing in more than one investment option.

*Income Taxes*

The Plan has adopted a prototype plan that has received an opinion letter dated March 31, 2008 from the Internal Revenue Service. The Company believes that the Plan is operated in accordance with the requirements of the Internal Revenue Code and state statutes, and that the trust is exempt from federal income and state franchise taxes.

**NOTE 3 - INVESTMENTS**

The following presents investments that represent 5 percent or more of the Plan's net assets at December 31, 2009 and 2008:

|                                              | December 31, |         |
|----------------------------------------------|--------------|---------|
|                                              | 2009         | 2008    |
| Fidelity Advisor Freedom 2025 Fund - Class A | \$ 729,348   | \$ *    |
| Fidelity Advisor Freedom 2040 Fund - Class A | 510,711      | *       |
| Fidelity Advisor Freedom 2035 Fund - Class A | 462,350      | *       |
| Fidelity Advisor Freedom 2020 Fund - Class A | 431,432      | *       |
| Fidelity Advisor Freedom 2030 Fund - Class A | 406,527      | *       |
| Oppenheimer Developing Mkt CL A              | 317,240      | *       |
| Merrill Lynch Ready Asset Trust              | *            | 445,708 |
| Davis NY Venture Fund Inc R                  | *            | 178,605 |
| BlackRock Equity Dividend Fund               | *            | 151,456 |
| Pioneer Emerging Markets Fund R              | *            | 197,349 |
| Janus Adviser International Growth R         | *            | 214,606 |
| Thornburg International Value Fund Class R3  | *            | 136,658 |
| Franklin Total Return Bond Fund R            | *            | 132,685 |

\* - Investment was not offered as part of the Plan's net assets available for benefits.

**ACCLARENT, INC. 401(k) PLAN**  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2009 AND 2008  
(See independent auditors' report)

During 2009 and 2008 the Plan's mutual fund investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by \$1,059,292 and depreciated in value by \$1,352,236, respectively.

**NOTE 4 - FAIR VALUE MEASUREMENTS**

The fair value accounting guidance requires that assets and liabilities carried at fair value be classified and disclosed in one of the following three categories:

Level 1: Quoted market prices in active markets for identical assets or liabilities that the Plan has the ability to access.

Level 2: Observable market based inputs or unobservable inputs that are corroborated by market data such as quoted prices, interest rates and yield curves.

Level 3: Inputs are unobservable data points that are not corroborated by market data.

The asset'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.

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2009 and 2008:

|                            | December 31, 2009  |             |                   |                    |
|----------------------------|--------------------|-------------|-------------------|--------------------|
|                            | Level 1            | Level 2     | Level 3           | Total              |
| Mutual funds               | \$5,237,703        | \$ -        | \$ -              | \$5,237,703        |
| Money market               | 250,366            | -           | -                 | 250,366            |
| Participant loans          | -                  | -           | 111,243           | 111,243            |
| Total assets at fair value | <u>\$5,488,069</u> | <u>\$ -</u> | <u>\$ 111,243</u> | <u>\$5,599,312</u> |

|                            | December 31, 2008  |             |                  |                    |
|----------------------------|--------------------|-------------|------------------|--------------------|
|                            | Level 1            | Level 2     | Level 3          | Total              |
| Mutual funds               | \$2,599,578        | \$ -        | \$ -             | \$2,599,578        |
| Participant loans          | -                  | -           | 19,084           | 19,084             |
| Total assets at fair value | <u>\$2,599,578</u> | <u>\$ -</u> | <u>\$ 19,084</u> | <u>\$2,618,662</u> |

The following table sets forth a summary of changes in the fair value of the Plan's level 3 assets (participant loans) for the years ended December 31, 2009 and 2008:

|                                                  | December 31,      |                  |
|--------------------------------------------------|-------------------|------------------|
|                                                  | 2009              | 2008             |
| Balance, beginning of year                       | \$ 19,084         | \$ 16,324        |
| Purchases, sales, issuances and settlements, net | 92,159            | 2,760            |
| Balance, end of year                             | <u>\$ 111,243</u> | <u>\$ 19,084</u> |

**NOTE 5 - PARTICIPANT LOANS**

Participant loans are collateralized by the respective participant's vested account balance. At December 31, 2009, the Plan has loans that bear interest rates between 3.25% and 5.00% and are due in various installments through January 2015.

**ACCLARENT, INC. 401(k) PLAN**  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2009 AND 2008  
(See independent auditors' report)

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**NOTE 6 - INFORMATION CERTIFIED BY THE CUSTODIANS (UNAUDITED)**

In accordance with 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, information certified by the custodians of the Plan summarized at December 31, 2009 and 2008 and for the years then ended is as follows:

|                                                              | December 31,             |                       |
|--------------------------------------------------------------|--------------------------|-----------------------|
|                                                              | 2009                     | 2008                  |
| Investments, at fair value:                                  |                          |                       |
| Mutual funds                                                 | \$ 5,237,703             | \$ 2,599,578          |
| Money market                                                 | 250,366                  | -                     |
| Participant loans                                            | 111,243                  | 19,084                |
|                                                              | <u>\$ 5,599,312</u>      | <u>\$ 2,618,662</u>   |
|                                                              | Years Ended December 31, |                       |
|                                                              | 2009                     | 2008                  |
| Net appreciation (depreciation) in fair value of investments | <u>\$ 1,059,292</u>      | <u>\$ (1,352,236)</u> |
| Interest and dividends                                       | <u>\$ 100,368</u>        | <u>\$ 67,502</u>      |

**NOTE 7 - EXCESS CONTRIBUTIONS**

Contributions received from participants for the year ended December 31, 2008 are net of payments of \$106,533 made on February 20, 2009 to certain active participants to return to them excess deferral contributions as initially required to satisfy the relevant nondiscrimination provisions of the Plan for 2008. The amount is also included in the statement of net assets available for benefits as excess contributions payable at December 31, 2008.

In October 2009, the Company subsequently determined that the excess contributions refunded were not required and offered the affected participants the option to reinvest the refunded amounts into the Plan or have them included as taxable income for 2009.

**NOTE 8 - PARTY-IN-INTEREST TRANSACTIONS**

Certain Plan investments are shares of a money market fund and certain mutual funds managed by Fidelity. Fidelity is the custodian as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. Although such transactions are considered party-in-interest transactions under ERISA regulations, they are permitted under provisions of the Plan and are specifically exempt from the prohibited party-in-interest transactions under ERISA.

**NOTE 9 - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500**

The differences between the information reported in the financial statements and the information reported in Form 5500 arise from presenting the financial statements on the accrual basis of accounting. Those differences are summarized as follows:

|                                                                   | December 31,        |                     |
|-------------------------------------------------------------------|---------------------|---------------------|
|                                                                   | 2009                | 2008                |
| Participant contributions per the financial statements            | \$ 2,179,039        | \$ 1,724,649        |
| Contributions receivable from participants in prior year          | -                   | 102,933             |
| Excess contributions refunded to participants after year end 2008 | (106,533)           | 106,533             |
| Participant contributions per Form 5500                           | <u>\$ 2,072,506</u> | <u>\$ 1,934,115</u> |

**ACCLARENT, INC. 401(k) PLAN**  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2009 AND 2008  
(See independent auditors' report)

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**NOTE 10 - PLAN TERMINATION OR MODIFICATION**

The Company intends to continue the Plan indefinitely for the benefit of its employees; however, subject to the provisions of the Employee Retirement Income Security Act, it reserves the right to terminate or modify the Plan at any time by resolution of the Company. Upon termination of the Plan, participant account balances become fully vested.

**NOTE 11 - SUBSEQUENT EVENTS**

The company has evaluated subsequent events through July 16, 2010, the date which the financial statements were issuable.

**ACCLARENT, INC. 401(k) PLAN**

SCHEDULE H, 4a – SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS

JANUARY 1, 2009 THROUGH DECEMBER 31, 2009

EMPLOYER IDENTIFICATION NUMBER: 20-1772549

PLAN NUMBER: 001

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| Participant<br>Contributions<br>Transferred Late to<br>Plan<br>Check here if late<br>participant loan<br>repayments are<br>included: <input checked="" type="checkbox"/> | <u>Total that constitute nonexempt prohibited transactions</u> |                                            |                                                | Total fully<br>corrected under<br>VFCP and PTE<br>2002-51 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|--------------------------------------------|------------------------------------------------|-----------------------------------------------------------|
|                                                                                                                                                                          | Contributions not<br>corrected                                 | Contributions<br>corrected outside<br>VFCP | Contributions<br>pending correction<br>in VFCP |                                                           |
| \$ 96,331                                                                                                                                                                | \$ -                                                           | \$ -                                       | \$ -                                           | \$ 96,331                                                 |

**ACCLARENT, INC. 401(k) PLAN**

SCHEDULE H, 4i – SCHEDULE OF ASSETS (HELD AT END OF YEAR)

DECEMBER 31, 2009

EMPLOYER IDENTIFICATION NUMBER: 20-1772549

PLAN NUMBER: 001

| (a) | (b)                                                                                                              | (c)                       | (d)   | (e)                |
|-----|------------------------------------------------------------------------------------------------------------------|---------------------------|-------|--------------------|
|     | Identity of issuer or borrower                                                                                   | Description of investment | Cost  | Market value       |
| *   | Prime Fund - Daily Money Class                                                                                   | Money market              | **    | \$ 250,366         |
|     | Oppenheimer Global Opportunities CL A                                                                            | Mutual fund               | **    | 69,680             |
|     | BlackRock US Opportunities CL A                                                                                  | Mutual fund               | **    | 221,787            |
|     | Goldman Sachs Tollkeeper CL A                                                                                    | Mutual fund               | **    | 52,367             |
|     | BlackRock Global Allocation CL A                                                                                 | Mutual fund               | **    | 171,970            |
|     | BlackRock Equity Dividend CL A                                                                                   | Mutual fund               | **    | 161,744            |
|     | Columbia Contrarian Core CL A                                                                                    | Mutual fund               | **    | 158,284            |
|     | Oppenheimer Developing Mkt CL A                                                                                  | Mutual fund               | **    | 317,240            |
|     | Van Kampen Small Cap Value CL A                                                                                  | Mutual fund               | **    | 107,258            |
|     | Eaton Vance Dividend Builder CL A                                                                                | Mutual fund               | **    | 106,765            |
|     | BlackRock Internatl Opps CL A                                                                                    | Mutual fund               | **    | 161,037            |
|     | Janus Flexible Bond Fund Class S                                                                                 | Mutual fund               | **    | 49,408             |
|     | Perkins Mid Cap Value Fund Class S,                                                                              | Mutual fund               | **    | 121,389            |
| *   | Fidelity Advisor Strategic Income Fund - Class A                                                                 | Mutual fund               | **    | 192,652            |
| *   | Fidelity Advisor Small Cap Fund - Class A                                                                        | Mutual fund               | **    | 164,282            |
| *   | Fidelity Advisor High Income Fund - Class A                                                                      | Mutual fund               | **    | 46,350             |
| *   | Fidelity Advisor Freedom 2010 Fund - Class A                                                                     | Mutual fund               | **    | 7,615              |
| *   | Fidelity Advisor Freedom 2020 Fund - Class A                                                                     | Mutual fund               | **    | 431,432            |
| *   | Fidelity Advisor Freedom 2030 Fund - Class A                                                                     | Mutual fund               | **    | 406,527            |
| *   | Fidelity Advisor Freedom 2040 Fund - Class A                                                                     | Mutual fund               | **    | 510,711            |
| *   | Fidelity Advisor Freedom Income Fund - Class A                                                                   | Mutual fund               | **    | 3,803              |
| *   | Fidelity Advisor New Insights Fund - Class A                                                                     | Mutual fund               | **    | 137,037            |
| *   | Fidelity Advisor Freedom 2005 Fund - Class A                                                                     | Mutual fund               | **    | 15,492             |
| *   | Fidelity Advisor Freedom 2015 Fund - Class A                                                                     | Mutual fund               | **    | 156,120            |
| *   | Fidelity Advisor Freedom 2025 Fund - Class A                                                                     | Mutual fund               | **    | 729,348            |
| *   | Fidelity Advisor Freedom 2035 Fund - Class A                                                                     | Mutual fund               | **    | 462,350            |
| *   | Fidelity Advisor International Discovery Fund - Class A                                                          | Mutual fund               | **    | 28,452             |
| *   | Fidelity Advisor Freedom 2045 Fund - Class A                                                                     | Mutual fund               | **    | 105,016            |
| *   | Fidelity Advisor Freedom 2050 Fund - Class A                                                                     | Mutual fund               | **    | 53,402             |
| *   | Fidelity Advisor Government Income Fund - Class A                                                                | Mutual fund               | **    | 88,185             |
| *   | Participant Loans - interest rates between 3.25% and 5.00%, payable in various installments through January 2015 | Participant loans         | \$-0- | 111,243            |
|     |                                                                                                                  |                           |       | <u>\$5,599,312</u> |
| *   | Party-in-interest                                                                                                |                           |       |                    |
| **  | Historical cost information is not presented for participant-directed investments                                |                           |       |                    |

**ACCLARENT, INC. 401(k) PLAN**

SCHEDULE H, 4i – SCHEDULE OF ASSETS (HELD AT END OF YEAR)

DECEMBER 31, 2009

EMPLOYER IDENTIFICATION NUMBER: 20-1772549

PLAN NUMBER: 001

| (a) | (b)                                                                                                              | (c)                       | (d)   | (e)                |
|-----|------------------------------------------------------------------------------------------------------------------|---------------------------|-------|--------------------|
|     | Identity of issuer or borrower                                                                                   | Description of investment | Cost  | Market value       |
| *   | Prime Fund - Daily Money Class                                                                                   | Money market              | **    | \$ 250,366         |
|     | Oppenheimer Global Opportunities CL A                                                                            | Mutual fund               | **    | 69,680             |
|     | BlackRock US Opportunities CL A                                                                                  | Mutual fund               | **    | 221,787            |
|     | Goldman Sachs Tollkeeper CL A                                                                                    | Mutual fund               | **    | 52,367             |
|     | BlackRock Global Allocation CL A                                                                                 | Mutual fund               | **    | 171,970            |
|     | BlackRock Equity Dividend CL A                                                                                   | Mutual fund               | **    | 161,744            |
|     | Columbia Contrarian Core CL A                                                                                    | Mutual fund               | **    | 158,284            |
|     | Oppenheimer Developing Mkt CL A                                                                                  | Mutual fund               | **    | 317,240            |
|     | Van Kampen Small Cap Value CL A                                                                                  | Mutual fund               | **    | 107,258            |
|     | Eaton Vance Dividend Builder CL A                                                                                | Mutual fund               | **    | 106,765            |
|     | BlackRock Internatl Opps CL A                                                                                    | Mutual fund               | **    | 161,037            |
|     | Janus Flexible Bond Fund Class S                                                                                 | Mutual fund               | **    | 49,408             |
|     | Perkins Mid Cap Value Fund Class S,                                                                              | Mutual fund               | **    | 121,389            |
| *   | Fidelity Advisor Strategic Income Fund - Class A                                                                 | Mutual fund               | **    | 192,652            |
| *   | Fidelity Advisor Small Cap Fund - Class A                                                                        | Mutual fund               | **    | 164,282            |
| *   | Fidelity Advisor High Income Fund - Class A                                                                      | Mutual fund               | **    | 46,350             |
| *   | Fidelity Advisor Freedom 2010 Fund - Class A                                                                     | Mutual fund               | **    | 7,615              |
| *   | Fidelity Advisor Freedom 2020 Fund - Class A                                                                     | Mutual fund               | **    | 431,432            |
| *   | Fidelity Advisor Freedom 2030 Fund - Class A                                                                     | Mutual fund               | **    | 406,527            |
| *   | Fidelity Advisor Freedom 2040 Fund - Class A                                                                     | Mutual fund               | **    | 510,711            |
| *   | Fidelity Advisor Freedom Income Fund - Class A                                                                   | Mutual fund               | **    | 3,803              |
| *   | Fidelity Advisor New Insights Fund - Class A                                                                     | Mutual fund               | **    | 137,037            |
| *   | Fidelity Advisor Freedom 2005 Fund - Class A                                                                     | Mutual fund               | **    | 15,492             |
| *   | Fidelity Advisor Freedom 2015 Fund - Class A                                                                     | Mutual fund               | **    | 156,120            |
| *   | Fidelity Advisor Freedom 2025 Fund - Class A                                                                     | Mutual fund               | **    | 729,348            |
| *   | Fidelity Advisor Freedom 2035 Fund - Class A                                                                     | Mutual fund               | **    | 462,350            |
| *   | Fidelity Advisor International Discovery Fund - Class A                                                          | Mutual fund               | **    | 28,452             |
| *   | Fidelity Advisor Freedom 2045 Fund - Class A                                                                     | Mutual fund               | **    | 105,016            |
| *   | Fidelity Advisor Freedom 2050 Fund - Class A                                                                     | Mutual fund               | **    | 53,402             |
| *   | Fidelity Advisor Government Income Fund - Class A                                                                | Mutual fund               | **    | 88,185             |
| *   | Participant Loans - interest rates between 3.25% and 5.00%, payable in various installments through January 2015 | Participant loans         | \$-0- | 111,243            |
|     |                                                                                                                  |                           |       | <u>\$5,599,312</u> |
| *   | Party-in-interest                                                                                                |                           |       |                    |
| **  | Historical cost information is not presented for participant-directed investments                                |                           |       |                    |