

<div>Form 5500</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security 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 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 KINDERING CENTER 403(B) PLAN	1b Three-digit plan number (PN) ▶ 001
		1c Effective date of plan 03/01/1988
2a	Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) KINDERING CENTER 16120 NE 8TH STREET BELLEVUE, WA 98008-3937	2b Employer Identification Number (EIN) 91-0816827 2c Sponsor's telephone number 425-747-4004 2d Business code (see instructions) 624100

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/07/2010	COLLEEN WILLIS
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/07/2010	COLLEEN WILLIS
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") KINDERING CENTER 16120 NE 8TH STREET BELLEVUE, WA 98008-3937	3b Administrator's EIN 91-0816827 3c Administrator's telephone number 425-747-4004
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name KINDERING CENTER	4b EIN 91-0816827 4c PN 099
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5 Total number of participants at the beginning of the plan year	5	122
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	90
b Retired or separated participants receiving benefits.....	6b	0
c Other retired or separated participants entitled to future benefits.....	6c	33
d Subtotal. Add lines 6a , 6b , and 6c	6d	123
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	123
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	90
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	0

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
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8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
2G 2F 2L

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

9a Plan funding arrangement (check all that apply) (1) <input checked="" type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules (1) <input checked="" type="checkbox"/> R (Retirement Plan Information) (2) <input type="checkbox"/> MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) <input type="checkbox"/> SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) <input checked="" type="checkbox"/> H (Financial Information) (2) <input type="checkbox"/> I (Financial Information – Small Plan) (3) <input checked="" type="checkbox"/> <u>1</u> A (Insurance Information) (4) <input checked="" type="checkbox"/> C (Service Provider Information) (5) <input type="checkbox"/> D (DFE/Participating Plan Information) (6) <input type="checkbox"/> G (Financial Transaction Schedules)
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SCHEDULE A (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Insurance Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500. ▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 2009 This Form is Open to Public Inspection
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For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009		
A Name of plan KINDERING CENTER 403(B) PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500. KINDERING CENTER		
D Employer Identification Number (EIN) 91-0816827		

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
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1 Coverage Information:

(a) Name of insurance carrier
ING

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
71-0294708	86509	VG6931	99	01/01/2009	12/31/2009

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

(a) Total amount of commissions paid	(b) Total amount of fees paid
1154	0

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

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid
C CONKLIN 520 PIKE ST STE 2510 SEATTLE, WA 98101

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
1154			3

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

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

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

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

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

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

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

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

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

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

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

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

Part II Investment and Annuity Contract Information

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

4 Current value of plan's interest under this contract in the general account at year end	4	92407
5 Current value of plan's interest under this contract in separate accounts at year end	5	2212249

6 Contracts With Allocated Funds:**a** State the basis of premium rates ▶

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

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity
(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan check here ▶ ☐**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee
(3) ☒ guaranteed investment (4) ☐ other ▶

b Balance at the end of the previous year	7b	84356
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c Additions: (1) Contributions deposited during the year	7c(1)	321817	
(2) Dividends and credits	7c(2)	0	
(3) Interest credited during the year	7c(3)	2837	
(4) Transferred from separate account	7c(4)	246409	
(5) Other (specify below)	7c(5)	25077	

▶ POSITIVE VALUE ADJUSTMENTS, TRANSFERS FROM ONE CONTRACT TO ANOTHER

(6) Total additions	7c(6)	596140
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d Total of balance and additions (add b and c(6))	7d	680496
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e Deductions:

(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	239239	
(2) Administration charge made by carrier	7e(2)	0	
(3) Transferred to separate account	7e(3)	344425	
(4) Other (specify below)	7e(4)	4425	

▶ NEGATIVE VALUE ADJUSTMENTS, TRANSFERRED ASSETS FROM ONE CONTRACT TO ANOTHER

(5) Total deductions	7e(5)	588089
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f Balance at the end of the current year (subtract e(5) from d)	7f	92407
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Part III Welfare Benefit Contract Information

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

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
 b ☐ Dental
 c ☐ Vision
 d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
 f ☐ Long-term disability
 g ☐ Supplemental unemployment
 h ☐ Prescription drug
i ☐ Stop loss (large deductible)
 j ☐ HMO contract
 k ☐ PPO contract
 l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received.....	9a(1)		
(2) Increase (decrease) in amount due but unpaid.....	9a(2)		
(3) Increase (decrease) in unearned premium reserve.....	9a(3)		
(4) Earned ((1) + (2) - (3)).....		9a(4)	
b Benefit charges (1) Claims paid.....	9b(1)		
(2) Increase (decrease) in claim reserves.....	9b(2)		
(3) Incurred claims (add (1) and (2)).....		9b(3)	
(4) Claims charged.....		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions.....	9c(1)(A)		
(B) Administrative service or other fees.....	9c(1)(B)		
(C) Other specific acquisition costs.....	9c(1)(C)		
(D) Other expenses.....	9c(1)(D)		
(E) Taxes.....	9c(1)(E)		
(F) Charges for risks or other contingencies.....	9c(1)(F)		
(G) Other retention charges.....	9c(1)(G)		
(H) Total retention.....		9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were <input type="checkbox"/> paid in cash, or <input type="checkbox"/> credited.).....		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement.....		9d(1)	
(2) Claim reserves.....		9d(2)	
(3) Other reserves.....		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in c(2).).....		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier.....	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, item 2 above, report amount.	10b	

Specify nature of costs ▶

Part IV Provision of Information

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

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

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.		OMB No. 1210-0110
			2009
			This Form is Open to Public Inspection.

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

A Name of plan KINDERING CENTER 403(B) PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 KINDERING CENTER	D Employer Identification Number (EIN) 91-0816827	

Part I	Service Provider Information (see instructions)
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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) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

ING
71-0294708

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

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

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

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

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes <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) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes <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) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes <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) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes <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) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes <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) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes <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 (see instructions)	(c) Enter amount of indirect compensation

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

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

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

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

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

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

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

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

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2009 This Form is Open to Public Inspection
For calendar plan year 2009 or fiscal plan year beginning <u>01/01/2009</u> and ending <u>12/31/2009</u>		
A Name of plan <u>KINDERING CENTER 403(B) PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>KINDERING CENTER</u>	D Employer Identification Number (EIN) <u>91-0816827</u>	

	Part I Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
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	Total noninterest-bearing cash	1a		
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions	1b(1)	87935	20562
	(2) Participant contributions	1b(2)	19719	17453
	(3) Other.....	1b(3)		
c	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
	(2) U.S. Government securities.....	1c(2)		
	(3) Corporate debt instruments (other than employer securities):			
	(A) Preferred	1c(3)(A)		
	(B) All other.....	1c(3)(B)		
	(4) Corporate stocks (other than employer securities):			
	(A) Preferred	1c(4)(A)		
	(B) Common	1c(4)(B)		
	(5) Partnership/joint venture interests	1c(5)		
	(6) Real estate (other than employer real property)	1c(6)		
	(7) Loans (other than to participants)	1c(7)		
	(8) Participant loans	1c(8)		
	(9) Value of interest in common/collective trusts.....	1c(9)		
	(10) Value of interest in pooled separate accounts.....	1c(10)		
	(11) Value of interest in master trust investment accounts	1c(11)		
	(12) Value of interest in 103-12 investment entities	1c(12)		
	(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	1639179	2212249
	(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	84356	92407
	(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	1831189	2342671

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	1831189	2342671
---	----	---------	---------

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	20562	
(B) Participants	2a(1)(B)	231615	
(C) Others (including rollovers)	2a(1)(C)	20651	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		272828
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		2837
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		475056
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		750721

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	239239	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		239239
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		0
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		239239

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		511482
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ 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: CLARK NUBER

(2) EIN: 91-1194016

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

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

Part IV Compliance Questions

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

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		220000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

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

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

5b(1) Name of plan(s)

5b(2) EIN(s)	5b(3) PN(s)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2009
		This Form is Open to Public Inspection.

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

A Name of plan <u>KINDERING CENTER 403(B) PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>KINDERING CENTER</u>	D Employer Identification Number (EIN) <u>91-0816827</u>

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>71-0294708</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	

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

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	<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.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____			
If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box.....	<input type="checkbox"/> Increase	<input type="checkbox"/> Decrease	<input type="checkbox"/> Both	<input type="checkbox"/> No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 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
11 a Does the ESOP hold any preferred stock?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	<input type="checkbox"/> Yes	<input type="checkbox"/> No
12 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:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

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

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

- a** Enter the percentage of plan assets held as:

Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate item 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

KINDERING CENTER 403(b) PLAN

Financial Statements and Supplemental Schedule
with Independent Auditors' Report

December 31, 2009 and 2008

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*Independent Auditors' Report**To the Board of Directors
Kindering Center 403(b) Plan
Bellevue, Washington*

Certified Public

Accountants
and Consultants

We were engaged to audit the accompanying statements of net assets available for plan benefits of Kindering Center 403(b) Plan (the Plan) as of December 31, 2009 and 2008, and the related statement of changes in net assets available for plan benefits and supplemental schedule as of and for the year ended December 31, 2009. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 6, which was certified by ING Life Insurance and Annuity Company, the custodian of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. The plan administrator has informed us that the custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained certifications from the custodian as of December 31, 2009 and 2008, and for the year ended December 31, 2009, that the information provided to the plan administrator by the custodian 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 schedule taken as a whole. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Certified Public Accountants
September 2, 2010

KINDERING CENTER 403(b) PLAN

***Statements of Net Assets Available for Plan Benefits
December 31, 2009 and 2008***

	<u>2009</u>	<u>2008</u>
Assets:		
Investments:		
Pooled separate accounts	\$ 2,212,249	\$ 1,639,179
Guaranteed interest accounts	<u>92,407</u>	<u>84,356</u>
Total investments	2,304,656	1,723,535
Receivables:		
Employee contributions	17,453	19,719
Employer matching contributions	<u>20,562</u>	<u>87,935</u>
Total receivables	<u>38,015</u>	<u>107,654</u>
Net Assets Available For Plan Benefits	<u><u>\$ 2,342,671</u></u>	<u><u>\$ 1,831,189</u></u>

See accompanying notes to financial statements.

KINDERING CENTER 403(b) PLAN

***Statement of Changes in Net Assets Available for Plan Benefits
For the Year Ended December 31, 2009***

Additions to Net Assets:

Contributions:

Employee	\$ 231,615
Rollover	20,651
Employer match	<u>20,562</u>

Total contributions 272,828

Investment income:

Net appreciation in fair value of investments	475,056
Interest on guaranteed interest accounts	<u>2,837</u>

Total investment income 477,893

Total Additions to Net Assets 750,721

Deductions from Net Assets:

Benefits paid to participants 239,239

Total Deductions from Net Assets 239,239

Net Increase in Net Assets for Plan Benefits 511,482

Net Assets Available for Plan Benefits:

Beginning of year 1,831,189

End of Year \$ 2,342,671

See accompanying notes to financial statements.

KINDERING CENTER 403(b) PLAN

Notes to Financial Statements

Note 1 - Description of the Plan

The following description of the Kindering Center 403(b) Plan (the Plan) provides general information only. Participants should refer to the Plan document for complete information regarding the Plan's definitions, benefits, eligibility and other matters.

General - The Plan is a defined contribution plan that was established effective March 1, 1988, for the benefit of employees of Kindering Center (the Sponsor) and is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). All employees who normally work 16 hours or more per week become eligible to participate in the Plan upon their date of hire. Employees who complete two years of service with at least 700 hours per year will be eligible for discretionary matching contributions.

Contributions - Participants may contribute to the Plan through voluntary deferrals of earned compensation. Eligible employees may contribute from 1% to 100% of their compensation to the Plan, not to exceed annual limitations prescribed by the Internal Revenue Service (IRS). Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified plans.

The Sponsor, at its sole discretion, may make a matching contribution of 100% of the employee's elective deferral, up to 4% of eligible compensation. Management elected to provide a matching contribution from January 1, 2009 through March 31, 2009. Effective April 1, 2009, the discretionary match was suspended.

Participant Accounts - Participant contributions to the Plan are voluntary. Participants are allowed to direct the investment of all contributions into various investment options that offer a diversity of investment risk and return. Each participant's account is credited with any contributions made to the account as well as increases or decreases in the market value of investments. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. There were no unallocated forfeitures as of December 31, 2009 and 2008.

Allocation Provisions - Interest income and net realized and unrealized investment gain or loss of each fund shall be allocated to the accounts of each participant based on the participant's proportionate share of the various investment funds held in the participant's investment account.

Vesting - Participants are immediately vested in their participant account.

Distributions - Upon termination of service, death, disability, retirement, or attainment of age 59 ½, a participant may elect to receive a distribution of their vested account balance in the form of a lump-sum payment. The Plan also allows for hardship withdrawals.

Administrative Expenses - Several of the investment fund options are subject to investment and administrative fees based on a percentage of invested assets. All such fees are charged directly against the fund's investment performance and thus are not separately disclosed in the accompanying financial statements. All other administrative expenses related to the Plan are paid by the Sponsor.

Subsequent Events - The Plan's management has evaluated subsequent events through September 2, 2010, the date on which the Plan's financial statements were available to be issued.

KINDERING CENTER 403(b) PLAN

Notes to Financial Statements

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 contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for plan benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. The statement of net assets available for plan benefits represents the contract value of the investment contract (guaranteed interest accounts). Differences between fair and contract value are not material to the Plan's financial statements as interest rates are adjusted to market annually. Accordingly, contract value, which represents net contributions plus interest at the contract rate, approximates fair value. The contract is considered fully-benefit responsive.

Investment Valuation and Income Recognition - The Plan's investments are stated 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 3 for discussion of fair value measurements.

Purchases and sales are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Net appreciation in the fair value of investments represents the change in fair value of assets from one period to the next and includes realized gains and losses on investments.

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 with disclosure on contingent assets and liabilities at the date of the financial statements and reported amounts of additions to or deductions from plan assets during the reporting period. Actual results could differ from those estimates.

Payment of Benefits - Benefits paid to participants are recognized when they are paid. At December 31, 2009 and 2008, there were no amounts allocated to accounts of participants who have elected to withdraw from the Plan, but have not yet been paid.

Risks and Uncertainties - The Plan provides for various investment options. Investment securities are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is reasonably possible that changes in risks in the near term would materially affect participants' account balances and the amounts reported in the statements of net assets available for plan benefits and the statement of changes in net assets available for plan benefits.

Note 3 - Fair Value Measurements

Financial Accounting Standards Board (FASB) issued guidance for fair value measurements. This guidance establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

KINDERING CENTER 403(b) PLAN

Notes to Financial Statements

Note 3 - Continued

The three levels of the fair value hierarchy are described as follows:

Level 1: Unadjusted quoted prices available in active markets for identical assets or liabilities;

Level 2: Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; or

Level 3: Unobservable inputs that are significant to the fair value measurement.

A financial instrument's level within the fair value hierarchy is based upon the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2009 and 2008.

Pooled Separate Accounts - The fair value of participation units in the pooled separate accounts are determined by ING Life Insurance and Annuity Company (ING), based on the valuation of the underlying investments at the end of the year.

Guaranteed Interest Accounts - Valued at the credited rate and adjusted to market value annually based on the contract.

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 (Levels 1, 2, and 3 are defined above):

	<i>Fair Value Measurements at December 31, 2009</i>			
	<i>(Level 1)</i>	<i>(Level 2)</i>	<i>(Level 3)</i>	<i>Total</i>
Pooled separate accounts:				
Large cap value	\$ -	\$ 925,112	\$ -	\$ 925,112
Bond		351,030		351,030
Small/Mid/Specialty		327,363		327,363
Global/International		289,871		289,871
Large cap growth		131,329		131,329
Target date		98,710		98,710
Balanced		74,498		74,498
Money market		14,336		14,336
Total pooled separate accounts		2,212,249		2,212,249
Guaranteed interest accounts			92,407	92,407
	<u>\$ -</u>	<u>\$ 2,212,249</u>	<u>\$ 92,407</u>	<u>\$ 2,304,656</u>

KINDERING CENTER 403(b) PLAN

Notes to Financial Statements

Note 3 - Continued

	<i>Fair Value Measurements at December 31, 2008</i>			
	<i>(Level 1)</i>	<i>(Level 2)</i>	<i>(Level 3)</i>	<i>Total</i>
Pooled separate accounts	\$ -	\$ 1,639,179	\$ -	\$ 1,639,179
Guaranteed interest accounts			84,356	84,356
	<u>\$ -</u>	<u>\$ 1,639,179</u>	<u>\$ 84,356</u>	<u>\$ 1,723,535</u>

A reconciliation of the beginning and ending balances for fair value measurements made using significant unobservable inputs (Level 3) is as follows for the year ended December 31, 2009:

	<i>Guaranteed Interest Account</i>
Balance as of January 1, 2009	\$ 84,356
Interest income	2,837
Purchases, sales, repayments and issuances, net	<u>5,214</u>
Balance as of December 31, 2009	<u>\$ 92,407</u>

Note 4 - Investments

Investments held by the Plan as of December 31 that represent 5% or more of net assets available for plan benefits are separately identified in the following table:

	<i>2009</i>	<i>2008</i>
Fidelity VIP Contrafund Portfolio - Initial Class	\$ 186,488	\$ 108,647
ING Growth and Income Portfolio - Class I	177,116	150,304
ING Index Plus Large Cap Portfolio - Class I	370,022	298,265
ING Oppenheimer Global Portfolio - Initial Class	117,329	*
ING Intermediate Bond Portfolio - Class I	*	98,599

* Does not represent 5% or more of the Plan's net assets at December 31.

KINDERING CENTER 403(b) PLAN

Notes to Financial Statements

Note 5 - Investment Contract with Insurance Company

The Plan invests in guaranteed interest accounts which are a fully-benefit responsive insurance contract with ING. Contributions to the guaranteed interest accounts are invested in the ING Fixed Account ("FA") and maintained in an unallocated fund. The FA is commingled with the general assets of ING. The FA is credited with earnings of the underlying investments and charged for Plan withdrawals and administrative expenses charged by ING.

As described in Note 2, because the guaranteed interest accounts are fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for plan benefits for the guaranteed interest accounts. Contract value, as reported to the Plan by ING, represents contributions made under the contracts, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. There are no reserves against contract value for credit risk of the contract issuer or otherwise.

Crediting interest rates vary over time and are announced by ING for each year in advance. The average yield for the year ended December 31, 2009 was 3.2%. Crediting interest rates in effect as of December 31, 2009 and 2008 are as follows:

	<u>2009</u>	<u>2008</u>
ING Fixed Account	2.45%	3.20%
ING Fixed Plus Account I	3.00%	3.75%
ING Fixed Plus Account II	3.00%	3.75%

Note 6 - Information Certified by the Custodian

The Sponsor has elected the method of compliance permitted by Section 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Under this provision of ERISA, certain information certified by an insurance company need not be subjected to independent audit. The Plan's management has obtained certification from the custodian, ING Life Insurance and Annuity Company, that the following information provided by the custodian and included in the Plan's financial statements and supplemental schedule, is complete and accurate:

- Fair value and contract value of investments as of December 31, 2009 and 2008,
- Investment income earned for the year ended December 31, 2009, and
- Investment transactions for the year ended December 31, 2009.

Note 7 - Plan Termination

Although it has not expressed any intent to do so, the Sponsor has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA.

KINDERING CENTER 403(b) PLAN

Notes to Financial Statements

Note 8 - Federal Income Taxes

Final regulations under Section 403(b) were published by the IRS on July 26, 2007. Under the regulations, a 403(b) plan sponsor by December 31, 2009 must have adopted a written plan intended to satisfy the requirements of Section 403(b) and the regulations effective as of January 1, 2009. The IRS is in the process of establishing pre-approved and individually designed plan programs under which a plan sponsor can obtain assurance that the written form of its plan satisfies Section 403(b). Transition relief will be provided to 403(b) plan sponsors who have made appropriate efforts to comply with the written plan requirement in the final regulations. The Sponsor adopted a written plan in 2009 which it believes satisfies the written plan requirement. The Sponsor also believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code.

Note 9 - Party-In-Interest

ING serves as the custodian and record-keeper for the Plan and also manages the funds in which the Plan invests. As a result, transactions involving ING qualify as party-in-interest transactions.

SUPPLEMENTAL SCHEDULE

KINDERING CENTER 403(b) PLAN

Attachment to Form 5500, Schedule H, Line 4(i) Schedule of Assets Held as of December 31, 2009

EMPLOYER: Kindering Center
EIN: 91-0816827
Plan #: 001

(a)	(b) Identity of Issuer, Borrower, Lessor, or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
*	ING Life Insurance and Annuity Company	ING Fixed Account	**	\$ 24,785
*	ING Life Insurance and Annuity Company	ING Fixed Plus Account	**	20,325
*	ING Life Insurance and Annuity Company	ING Fixed Plus Account II	**	47,297
*	ING Life Insurance and Annuity Company	ING Money Market Portfolio - Class I	**	14,336
*	ING Life Insurance and Annuity Company	ING Intermediate Bond Portfolio - Class I	**	63,183
*	ING Life Insurance and Annuity Company	ING Oppenheimer Global Strategic Income	**	61,099
*	ING Life Insurance and Annuity Company	ING PIMCO High Yield Portfolio - Service Class	**	9,685
*	ING Life Insurance and Annuity Company	ING PIMCO Total Return Portfolio - Service Class	**	60,778
*	ING Life Insurance and Annuity Company	ING Pioneer High Yield Portfolio - Initial Class	**	1,202
*	ING Life Insurance and Annuity Company	PIMCO VIT Real Return Portfolio - Admin Class	**	91,058
*	ING Life Insurance and Annuity Company	Pioneer High Yield VCT Portfolio - Class I	**	35,299
*	ING Life Insurance and Annuity Company	Templeton Global Bond Fund - Class A	**	27,771
*	ING Life Insurance and Annuity Company	The Bond Fund of America SM - Class R-4	**	955
*	ING Life Insurance and Annuity Company	ING Solution 2035 Portfolio - Service Class	**	47,035
*	ING Life Insurance and Annuity Company	ING Solution 2045 Portfolio - Service Class	**	51,675
*	ING Life Insurance and Annuity Company	Calvert VP SRI Balanced Portfolio	**	23,991
*	ING Life Insurance and Annuity Company	ING Balanced Portfolion Inc. - Class I	**	39,742
*	ING Life Insurance and Annuity Company	ING T. Rowe Price Capital Appreciation Portfolio	**	359
*	ING Life Insurance and Annuity Company	ING Van Kampen Equity and Income Porfolio	**	2,930
*	ING Life Insurance and Annuity Company	Pax World Balanced Fund	**	7,476
*	ING Life Insurance and Annuity Company	Fidelity VIP Contrafund Portfolio - Initial Class	**	186,488
*	ING Life Insurance and Annuity Company	Fidelity VIP Equity-Income Portfolio - Initial Class	**	82,845
*	ING Life Insurance and Annuity Company	Fundamental Investors SM - Class R-4	**	485
*	ING Life Insurance and Annuity Company	ING Davis New York Venture Portfolio - Service Class	**	1,573
*	ING Life Insurance and Annuity Company	ING Growth and Income Portfolio - Class I	**	177,116
*	ING Life Insurance and Annuity Company	ING Index Plus Large Cap Portolffio - Class I	**	370,022
*	ING Life Insurance and Annuity Company	ING Lord Abbett Growht and Income Portfolio - Inst.	**	8,532
*	ING Life Insurance and Annuity Company	ING Opportunistic Large Cap Portfolio - Class I	**	5,446
*	ING Life Insurance and Annuity Company	ING Pioneer Equity Income Portfolio - Institutional Class	**	474
*	ING Life Insurance and Annuity Company	ING Pioneer Fund Portfolio - Institutional Class	**	5,631
*	ING Life Insurance and Annuity Company	ING Russell Large Cap Index Portfolio - Class I	**	653
*	ING Life Insurance and Annuity Company	ING T. Rowe Price Equity Income Portfolio - Service Class	**	14,820
*	ING Life Insurance and Annuity Company	ING Thornbug Value Portfolio - Initial Class	**	3,526
*	ING Life Insurance and Annuity Company	ING UBS U.S. Large Cap Equity Portfolio - Initial Class	**	11,765
*	ING Life Insurance and Annuity Company	ING Van Kampen Comstock Portfolio - Service Class	**	12,275
*	ING Life Insurance and Annuity Company	ING Van Kampen Growth and Income Portfolio	**	770
*	ING Life Insurance and Annuity Company	Investco V.I. Core Equity Fund - Series I Shares	**	748
*	ING Life Insurance and Annuity Company	Neuberger Berman Socially Response Fund - Trust Class	**	11,438
*	ING Life Insurance and Annuity Company	RiverSource Diversified Equity Income Fund - Class R-4	**	491
*	ING Life Insurance and Annuity Company	Washington Mutual Investors Fund Sm - Class R-4	**	30,014
*	ING Life Insurance and Annuity Company	Fidelity VIP Growth Portfolio - Initial Class	**	56,650

- Continued -

See independent auditors' report.

KINDERING CENTER 403(b) PLAN

Attachment to Form 5500, Schedule H, Line 4(i) Schedule of Assets Held as of December 31, 2009

EMPLOYER: Kindering Center
EIN: 91-0816827
Plan #: 001

(a)	(b) Identity of Issuer, Borrower, Lessor, or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
*	ING Life Insurance and Annuity Company	ING BlackRock Large Cap Growth Portfolio - Inst. Class	**	4,246
*	ING Life Insurance and Annuity Company	ING Legg Mason ClearBridge Aggressive Grwth Port	**	7,688
*	ING Life Insurance and Annuity Company	ING T. Rowe Price Growth Equity Portfolio - Initial Class	**	6,003
*	ING Life Insurance and Annuity Company	Invesco V.I. Capital Appreciation Fund - Series I Shares	**	1,313
*	ING Life Insurance and Annuity Company	The Growth Fund of America - Class R-4	**	55,429
*	ING Life Insurance and Annuity Company	Evergreen Special Values Fund - Class A	**	2,454
*	ING Life Insurance and Annuity Company	Franklin Small Cap Value Securities Fund - Class 2	**	2,225
*	ING Life Insurance and Annuity Company	ING Baron Small Cap Growth Portfolio - Service Class	**	8,908
*	ING Life Insurance and Annuity Company	ING BlackRock Science and Technology Opp Port - Class I	**	11,123
*	ING Life Insurance and Annuity Company	ING Clarion Real Estate Portfolio - Service Class	**	567
*	ING Life Insurance and Annuity Company	ING Columbia Small Cap Value Portfolio - Service Class	**	4,166
*	ING Life Insurance and Annuity Company	ING FMR Diversified Mid Cap Portfolio - Service Class	**	4,336
*	ING Life Insurance and Annuity Company	ING Global Resources Portfolio - Service Class	**	20,884
*	ING Life Insurance and Annuity Company	ING Index Plus MidCap Portfolio - Class I	**	99,343
*	ING Life Insurance and Annuity Company	ING Index Plus SmallCap Portfolio - Class I	**	33,543
*	ING Life Insurance and Annuity Company	ING MFS Utilities Portfolio - Service Class	**	10,006
*	ING Life Insurance and Annuity Company	ING Small Company Portfolio - Class I	**	50,073
*	ING Life Insurance and Annuity Company	ING T. Rowe Price Diversified Mid Cap Gr Port - Initial Class	**	31,220
*	ING Life Insurance and Annuity Company	Lazard U.S. Mid Cap Portfolio - Open Shares	**	294
*	ING Life Insurance and Annuity Company	Lord Abbett Series Fund - Mid-Cap Value Port - CI VC Shares	**	21,667
*	ING Life Insurance and Annuity Company	Oppenheimer Main Street Small Cap/VA	**	5,400
*	ING Life Insurance and Annuity Company	Premier VIT OpCap Mid Cap Portfolio - Class I	**	876
*	ING Life Insurance and Annuity Company	Wanger Select	**	6,389
*	ING Life Insurance and Annuity Company	Wanger USA	**	13,889
*	ING Life Insurance and Annuity Company	EuroPacific Growth Fund - Class R-4	**	52,551
*	ING Life Insurance and Annuity Company	Fidelity VIP Overseas Portfolio - Initial Class	**	23,304
*	ING Life Insurance and Annuity Company	ING Artio Foreign Portfolio - Service Class	**	1,122
*	ING Life Insurance and Annuity Company	ING International Index Portfolio - Class I	**	1,631
*	ING Life Insurance and Annuity Company	ING International Value Portfolio - Class I	**	2,255
*	ING Life Insurance and Annuity Company	ING JP Morgan Emerging Markets Equity Portfolio	**	4,324
*	ING Life Insurance and Annuity Company	ING Oppenheimer Global Portfolio - Initial Class	**	117,329
*	ING Life Insurance and Annuity Company	ING Templeton Foreign Equity Portfolio - Initial Class	**	863
*	ING Life Insurance and Annuity Company	New Perspective Fund - Class R-4	**	14,584
*	ING Life Insurance and Annuity Company	Oppenheimer Developing markets Fund - Class A	**	39,142
*	ING Life Insurance and Annuity Company	Pioneer Emerging Markets VCT Portfolio - Class I	**	3,452
*	ING Life Insurance and Annuity Company	SmallCap Wprold Fund - Class R-4	**	511
*	ING Life Insurance and Annuity Company	Wanger International	**	28,803
Total				\$ 2,304,656

* Represents a party-in-interest as defined by ERISA.

** Historical cost information omitted with respect to assets held for investment purposes on participant-directed individual account balances.

See independent auditors' report.

FINANCIAL SCHEDULES

Name of Plan Sponsor as shown on line 2A of Form 5500	Employer Identification Number
KINDERING CENTER	91-0816827
Name of Plan	Plan No.
KINDERING CENTER 403(b) PLAN	001

Schedule of Assets Held for Investment Purposes - 2009 Form 5500, Schedule H, Item 4i

Identity of issue, borrower, lessor, or similar party	Description of investments including maturity dates, rate of interest, collateral, par or maturity value	Cost	Current Value
* ING Life Insurance and Annuity Company	ING Fixed Account	**	\$ 24,785
* ING Life Insurance and Annuity Company	ING Fixed Plus Account	**	20,325
* ING Life Insurance and Annuity Company	ING Fixed Plus Account II	**	47,297
* ING Life Insurance and Annuity Company	ING Money Market Portfolio - Class I	**	14,336
* ING Life Insurance and Annuity Company	ING Intermediate Bond Portfolio - Class I	**	63,183
* ING Life Insurance and Annuity Company	ING Oppenheimer Global Strategic Income	**	61,099
* ING Life Insurance and Annuity Company	ING PIMCO High Yield Portfolio - Service Class	**	9,685
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* ING Life Insurance and Annuity Company	ING Solution 2035 Portfolio - Service Class	**	47,035
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* ING Life Insurance and Annuity Company	Invesco V.I. Capital Appreciation Fund - Series I Shares	**	1,313
* ING Life Insurance and Annuity Company	The Growth Fund of America - Class R-4	**	55,429

FINANCIAL SCHEDULES

Name of Plan Sponsor as shown on line 2A of Form 5500	Employer Identification Number
KINDERING CENTER	91-0816827
Name of Plan	Plan No.
KINDERING CENTER 403(b) PLAN	001

Schedule of Assets Held for Investment Purposes - 2009 Form 5500, Schedule H, Item 4i

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* ING Life Insurance and Annuity Company	Franklin Small Cap Value Securities Fund - Class 2	**	2,225
* ING Life Insurance and Annuity Company	ING Baron Small Cap Growth Portfolio - Service Class	**	8,908
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* ING Life Insurance and Annuity Company	Wanger International	**	28,803
Total			\$ 2,304,656

* Represents a party-in-interest as defined by ERISA.

** Historical cost information omitted with respect to assets held for investment purposes on participant-directed individual account balances.