Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2009

This Form is Open to Public Inspection

Part I Annual Report Identification Information

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

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
NEEDHAM & COMPANY, LLC 401(K) PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/1986

2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.)
NEEDHAM & COMPANY, LLC

445 PARK AVENUE
NEW YORK, NY 10022

2b Employer Identification Number (EIN) 13-3255839

2c Sponsor's telephone number 212-371-8300

2d Business code (see instructions) 523110

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.	10/13/2010	LAURA BENJAMIN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/13/2010	JOSEPH TURANO
	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")
NEEDHAM & COMPANY, LLC

445 PARK AVENUE
NEW YORK, NY 10022

3b Administrator's EIN
13-3255839

3c Administrator's telephone number
212-371-8300

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:
a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	349
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**	157
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	135
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	292
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	0
f	Total. Add lines **6d** and **6e**	**6f**	292
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	288
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	10
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

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

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

9a Plan funding arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)	X	**R** (Retirement Plan Information)
(2)		**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)		**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	X	**H** (Financial Information)
(2)		**I** (Financial Information – Small Plan)
(3)		___ **A** (Insurance Information)
(4)	X	**C** (Service Provider Information)
(5)		**D** (DFE/Participating Plan Information)
(6)		**G** (Financial Transaction Schedules)

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	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.**	**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
NEEDHAM & COMPANY, LLC 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
NEEDHAM & COMPANY, LLC

D Employer Identification Number (EIN)
13-3255839

Part I Service Provider Information (see instructions)

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

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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) 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?
37 50 60 64 65 71	NONE	13016	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [X] No [ ]

(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 [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

(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 [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

(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 ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(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 ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(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 ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

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.	

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

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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)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2009

This Form is Open to Public Inspection

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

A Name of plan
NEEDHAM & COMPANY, LLC 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
NEEDHAM & COMPANY, LLC

D Employer Identification Number (EIN)
13-3255839

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	565110	534491
(2) Participant contributions	1b(2)	0	33613
(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)	212305	193937
(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)	14804918	19270372
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)	2673409	4182095

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(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	18255742	24214508
	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 through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	18255742	24214508

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)	534491	
	(B) Participants	2a(1)(B)	1914598	
	(C) Others (including rollovers)	2a(1)(C)	184660	
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		2633749
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)	13333	
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		13333
	(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)	185796	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		185796
	(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)		
(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)		4610385
c Other income	2c		912253
d Total income. Add all **income** amounts in column (b) and enter total	2d		8355516
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	2390590	
(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)		2390590
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)	6160	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		6160
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		2396750
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		5958766
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) [X] Disclaimer (4) [ ] Adverse

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

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

(1) Name: ERNST & YOUNG LLP (2) EIN: 34-6565596

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

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

Part IV Compliance Questions

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

During the plan year:

		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		5000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		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.	4n			

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

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

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2009

This Form is Open to Public Inspection.

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

A Name of plan
NEEDHAM & COMPANY, LLC 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
NEEDHAM & COMPANY, LLC

D Employer Identification Number (EIN)
13-3255839

Part I Distributions

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 04-6568107

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. **3**

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

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

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

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

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

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

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

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

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

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

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

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

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

Ernst & Young LLP
5 Times Square
New York, New York 10036-6530
Tel: (212) 773 3000

Report of Independent Auditors

The Board of Directors
Needham & Company, LLC 401(k) Plan

We were engaged to audit the accompanying statements of net assets available for benefits of the Needham & Company, LLC 401(k) Plan (the "Plan") as of December 31, 2009 and 2008, the related statement of changes in net assets available for benefits for the year ended December 31, 2009, and the supplemental schedule of assets (held at end of year) as of 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 investment information summarized in Note 4, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of December 31, 2009 and December 31, 2008 and for the year ended December 31, 2009, that the information provided to the plan administrator by the trustee 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 schedule taken as a whole. The form and content of the information included in the financial statements and schedule, other than that derived from the investment information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States 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.

Ernst & Young LLP

October 7, 2010

FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE

Needham & Company, LLC 401(k) Plan
December 31, 2009 and 2008 and for the Year Ended December 31, 2009
with Report of Independent Auditors

Needham & Company, LLC 401(k) Plan

Financial Statements and Supplemental Schedule

December 31, 2009 and 2008 and for the year ended December 31, 2009

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Ernst & Young LLP
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New York, New York 10036-6530
Tel: (212) 773 3000

Report of Independent Auditors

The Board of Directors
Needham & Company, LLC 401(k) Plan

We were engaged to audit the accompanying statements of net assets available for benefits of the Needham & Company, LLC 401(k) Plan (the "Plan") as of December 31, 2009 and 2008, the related statement of changes in net assets available for benefits for the year ended December 31, 2009, and the supplemental schedule of assets (held at end of year) as of December 31, 2009. These financial statements and supplemental schedule are the responsibility of the Plan's management.

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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 schedule taken as a whole. The form and content of the information included in the financial statements and schedule, other than that derived from the investment information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States 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.

Ernst & Young LLP

October 7, 2010

Needham & Company, LLC 401(k) Plan

Statements of Net Assets Available for Benefits

	December 31, 2009	2008
Assets		
Investments, at fair value:		
Cash equivalents	**$ 939,748**	$ 770,483
Mutual funds	**20,175,612**	15,402,920
Common stocks	**2,337,107**	1,304,924
Participant loans	**193,937**	212,305
Total investments, at fair value	**23,646,404**	17,690,632
Receivables:		
Employer	**534,491**	565,110
Participants	**33,613**	–
Total receivables	**568,104**	565,110
Total assets	**24,214,508**	18,255,742
Liabilities	**–**	–
Net assets available for benefits	**$ 24,214,508**	$ 18,255,742

See accompanying notes to financial statements.

Needham & Company, LLC 401(k) Plan

Statement of Changes in Net Assets Available for Benefits

Year ended December 31, 2009

Additions/(reductions)	
Investment gain:	
Net realized gain and change in unrealized depreciation in fair value of investments	$ 5,486,835
Interest and dividends	234,932
Net investment gain	5,721,767
Contributions:	
Participants	1,914,598
Employer, net of forfeitures	534,491
Rollover	184,660
Total contributions	2,633,749
Total additions/(reductions)	8,355,516
Deductions	
Benefits paid directly to participants	(2,390,590)
Administrative expenses	(6,160)
Total deductions	(2,396,750)
Net increase in net assets available for benefits	5,958,766
Net assets available for benefits at beginning of year	18,255,742
Net assets available for benefits at end of year	$ 24,214,508

See accompanying notes to financial statements.

Needham & Company, LLC 401(k) Plan

Notes to Financial Statements

December 31, 2009

1. Description of Plan

The following description of the Needham & Company, LLC 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Summary Plan Description for a more complete discussion of the Plan's provisions.

General

The Plan is a defined contribution plan covering all full-time domestic employees of Needham & Company, LLC (the "Company" or the "Employer") who have completed one hour of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

The Company has assigned all operating and bookkeeping responsibilities of the Plan to Fidelity Management Trust Company (the "Administrator", "Fidelity" or the "Trustee") that acts as the Plan's administrator and trustee.

Contributions

Participants in the Plan contribute a portion of their eligible compensation, not to exceed 60% of their eligible annual compensation, as defined by the Plan. Each Plan year, the Employer may make discretionary matching contributions of a percent to be determined annually by the Board of Directors, based on a percentage of employee pretax contributions, not including Age 50 and Over Catch-Up Contributions, as described by the provisions of the Plan. For the year ended December 31, 2009, the Company matched ½% for every 1% of employee pretax contributions, not exceeding 3% of the participant's eligible compensation. Company contributions are reduced by any forfeited amounts. Participant contributions are always 100% vested, while Employer contributions become 100% vested upon completion of three years of service.

All of the Plan's investment programs are fully participant directed. Participants can direct the investment of their contributions, employer contributions and investment earnings thereon in any of the Plan's available investment options. Participants may change their investment options daily.

Participant Loans

Participants may borrow from their participant accounts a minimum of $1,000 up to a maximum of the lesser of 50% of their vested interest in the Plan or $50,000 less the highest outstanding

1. Description of Plan (continued)

loan balance over the previous twelve months. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with prevailing interest rates as determined by the Plan Administrator. Interest rates remain fixed throughout the duration of the loan. The term of the loan can range from one to five years or up to ten years if the purpose of the loan is for the purchase of a primary residence.

Payment of Benefit

Upon termination of the participant's employment as a result of retirement (as permitted), death, disability, dismissal, or resignation, as defined by the provisions of the Plan, the participant's account shall be paid to the participant, or designated beneficiary, in a lump-sum amount or in monthly installments.

Plan Termination

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

2. Significant Accounting Policies

Basis of Accounting

The financial statements have been prepared on the in accordance with U.S. generally accepted accounting principles ("US GAAP").

Uses of Estimates

The preparation of financial statements in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA and in conformity with US GAAP which requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

2. Significant Accounting Policies (continued)

Cash Equivalents

The Plan considers short-term interest bearing instruments with maturities of three months or less at the time of purchase to be cash equivalents. Included in cash equivalents at December 31, 2009 and 2008 are amounts invested in a money market fund sponsored by the Trustee.

Payments of Benefits

Benefit payments are recorded when paid.

New Accounting Pronouncements

The Financial Accounting Standards Board ("FASB") has issued "*The Hierarchy of Generally Accepted Accounting Principles*" which identifies the sources of accounting principles and provides a US GAAP hierarchy for selecting the principles to be used in preparation of financial statements that are present in conformity with US GAAP. The standard is effective for financial statements issued for interim and annual periods ending after September 15, 2009. As the standard is not intended to change or alter existing US GAAP, adoption of this standard did not impact the Plan's financial statements.

In May 2009, the FASB issued FASB Statement Number 165, *Subsequent Events*, which was codified into Accounting Standards Codification ("ASC") 855, *Subsequent Events*, to provide general standards for accounting for and disclosure of events that occur after the balance sheet date, but before the financial statements are issued or available to be issued. ASC 855 was amended in February 2010. The Plan has adopted ASC 855, as amended.

In September 2009, the FASB issued Accounting Standards Update ("ASU") 2009-12, *Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*. ASU 2009-12 amended ASC 820 to allow entities to use net asset value (NAV) per share (or its equivalent), as a practical expedient, to measure fair value when the investment does not have a readily determinable fair value and the net asset value is calculated in a manner consistent with investment company accounting. The Plan adopted the guidance in ASU 2009-12 for the reporting period ended December 31, 2009 and it did not have a material effect on the Plan's net assets available for benefits or its changes in net assets available for benefits.

2. Significant Accounting Policies (continued)

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Quoted market prices are used to value exchange traded securities. Shares of open ended registered investment companies are valued at the net asset value of shares held by the Plan at year end. See Note 5 for further discussion of fair value measurements. Purchases and sales of securities are recorded on a trade-date basis.

Pursuant to the adoption of ASU 2009-12, investments in unregistered investment companies are recorded at fair value, which, as a practical expedient, is the reported capital account or net asset value of the underlying investments as of December 31, 2009. This amount represents the Plan's applicable ownership interest in the net assets of these entities, based upon financial information supplied to the Trustee by the investment managers of such investment vehicles.

Purchases and sales of securities and related gains and losses are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

3. Participants' Interests

Under the provisions of the Plan, a participant may, at the discretion of the Company, be permitted to (i) contribute to the Plan certain distributions received from another qualified employee benefit plan or (ii) direct the trustee of such other plan to make a trust-to-trust transfer to the Plan of the participant's account in such other plan.

4. Investments

All investment information disclosed in the accompanying financial statements and supplemental schedule, including investments held at December 31, 2009 and 2008, and interest and dividends and net appreciation in fair value of investments for the year ended December 31, 2009 was obtained or derived from information supplied to the Plan Administrator and certified as complete and accurate by Fidelity Management Trust Company ("Fidelity").

4. Investments (continued)

The following table represents the fair value of Plan investments that exceeded 5% of the net assets available for plan benefits at December 31, 2009 and 2008:

	December 31	
	2009	**2008**
Needham Growth Fund*	**$ 5,275,172**	$ 3,896,134
Fidelity Retirement Money Market Fund*	**3,082,092**	2,749,664
Fidelity Diversified International Fund*	**2,520,946**	2,082,801
Fidelity Large Cap Stock Fund*	**1,973,930**	1,327,158
Fidelity Growth Strategies Fund*	**1,295,575**	944,452

* Indicates party-in-interest to the plan

All investment information disclosed in the accompanying financial statements and supplemental schedules including investments held at December 31, 2009 and net appreciation/(depreciation) in fair value of investments, interest and dividends for the year ended December 31, 2009, was obtained or derived from information provided by and certified as complete and accurate by the Trustee.

During the year ended December 31, 2009, the Plan's investments (including investments purchased, sold as well as held during the year) depreciated in fair value as follows:

	Net Realized and Unrealized Appreciation/ (Depreciation) in Fair Value of Investments
Common Stocks	$ 656,474
Mutual Funds	4,830,361
Net realized and unrealized depreciation in fair value of investments	$ 5,486,835

4. Investments (continued)

Investment Options

All employee voluntary and Employer matching contributions are remitted to Fidelity and invested, at the participant's election, in one or more of the following options, for which Fidelity, Keeley Asset Management Corp., Wallace R. Weits & Company, Artisan Partners Limited Partnership, and Needham Investment Management, L.L.C. serve as investment advisors:

Needham Growth Fund: The fund seeks long-term tax-efficient capital appreciation through investing in equity securities of growth companies with superior earning prospects.

Needham Small Cap Growth Fund: The fund seeks long term tax efficient capital appreciation through investing in equities of smaller growth companies the fund believes are trading at a discount.

Needham Aggressive Growth Fund: The fund seeks long term tax efficient capital appreciation through investing in equities of public companies with strong, above average, prospective long-term growth rates.

Artisan Mid Cap Value Fund: The fund seeks to provide maximum long-term capital growth, through investment in common stocks.

Keeley Small Cap Value Fund: The fund seeks capital appreciation through investment in common stocks and other equity type securities (including preferred stock, convertible debt securities and warrants) of small market capitalization.

Weitz Value Portfolio Fund: The fund seeks to provide capital growth and primarily invests in common stocks of foreign companies.

Fidelity Fund: The fund seeks long-term capital growth, through investment in common stocks.

Fidelity Capital and Income Fund: The fund objective is to provide a combination of current income and capital growth.

Fidelity Low Priced Stock Fund: The fund seeks capital appreciation; investing mainly in a portfolio of low-priced stocks that may be undervalued, overlooked or out-of-favor.

4. Investments (continued)

Fidelity Asset Manager 70% Fund: The fund seeks to maximize total return over the long term by allocating assets among stocks, bonds, short-term instruments and other investments.

Fidelity Growth Strategies Fund: Seeks long-term capital appreciation by investing mainly in equity securities of companies believed to offer the potential for accelerated growth.

Fidelity Diversified International Fund: The fund seeks capital growth by investing mainly in non-U.S. securities across countries and regions considering size of the market in each country and region relative to size of the international market as a whole.

Fidelity Large Cap Stock Fund: The fund seeks to increase the value of investments over the long-term through capital growth.

Fidelity Retirement Money Market Fund: The fund seeks a high current income, preservation of capital, and liquidity from money market instruments.

Fidelity Magellan Fund: The fund seeks to provide capital appreciation and primarily invests in common stocks.

Fidelity Institutional Short-Intermediate Government Fund: The fund seeks a high level of current income consistent with preserving principal, through investment in government securities.

Fidelity Freedom 2010 Fund: The fund seeks high total return until its target retirement date. Thereafter, the fund primary objective is to seek high current income and, as a secondary objective, capital appreciation.

Fidelity Freedom 2015 Fund: The fund seeks high total return until its target retirement date. Thereafter, the fund primary objective is to seek high current income and, as a secondary objective, capital appreciation.

4. Investments (continued)

Fidelity Freedom 2020 Fund: The fund seeks high total return until its target retirement date. Thereafter, the fund primary objective is to seek high current income and, as a secondary objective, capital appreciation.

Fidelity Freedom 2025 Fund: The fund seeks high total return until its target retirement date. Thereafter, the fund primary objective is to seek high current income and, as a secondary objective, capital appreciation.

Fidelity Freedom 2030 Fund: The fund seeks high total return until its target retirement date. Thereafter, the fund primary objective is to seek high current income and, as a secondary objective, capital appreciation.

Fidelity Freedom 2035 Fund: The fund seeks high total return until its target retirement date. Thereafter, the fund primary objective is to seek high current income and, as a secondary objective, capital appreciation.

Fidelity Freedom 2040 Fund: The fund seeks high total return until its target retirement date. Thereafter, the fund primary objective is to seek high current income and, as a secondary objective, capital appreciation.

Fidelity Freedom 2045 Fund: The fund seeks high total return until its target retirement date. Thereafter, the fund primary objective is to seek high current income and, as a secondary objective, capital appreciation.

Fidelity Freedom 2050 Fund: The fund seeks high total return until its target retirement date. Thereafter, the fund primary objective is to seek high current income and, as a secondary objective, capital appreciation.

Fidelity Freedom Income Fund: The fund seeks to provide high current income and, as a secondary objective, some capital appreciation for those already in retirement.

BrokerageLink: The investment option allows the participants to self-manage their investments through a brokerage account. At December 31, 2009, investments held in BrokerageLink consisted of common stocks and mutual funds.

4. Investments (continued)

Participants may invest in foreign stocks, nonlisted investment partnerships, commodities, futures, options, nontaxable investments, and precious metals or in securities of the employer or its affiliates. Participants are not permitted to purchase securities on margin or sell short.

Investment Risk

The Plan provides for investments in various investment securities, which in general, are exposed to various risks, such as interest rate, credit and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying statements of net assets available for benefits. In addition, the Plan is also exposed to credit risk related to maintaining all of its investment accounts at Fidelity.

5. Fair Value Measurement

Fair value is defined as 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 (i.e., an exit price). The fair value hierarchy 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 and liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described below:

Level 1 – Unadjusted quoted prices in active markets that are accessible to the reporting entity at the measurement date for identical assets and liabilities.

Level 2 – Inputs other than quoted prices in active markets for identical assets and liabilities that are observable either directly or indirectly for substantially the full term of the asset or liability. Level 2 inputs include the following:

- quoted prices for similar assets and liabilities in active markets
- quoted prices for identical or similar assets or liabilities in markets that are not active

5. Fair Value Measurements (continued)

- observable inputs other than quoted prices that are used in the valuation of the asset or liabilities (e.g., interest rate and yield curve quotes at commonly quoted intervals)

- inputs that are derived principally from or corroborated by observable market data by correlation or other means

Level 3 – Unobservable inputs for the asset or liability (i.e., supported by little or no market activity). Level 3 inputs include management's own assumption about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk).

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the fair value measurement in its entirety falls has been determined based on the lowest level input that is significant to the fair value measurement of the asset or liability. The Plan's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and the Plan considers factors specific to the asset or liability.

The following table summarizes the Plan's portfolio investments that were accounted for at fair value by level within the fair value hierarchy at December 31, 2009 and 2008.

Total investments at fair value at December 31, 2009 :

	Level 1	Level 2	Level 3	Total
Cash equivalents	$ 939,748	$ –	$ –	$ 939,748
Mutual Funds	20,175,612	–	–	20,175,612
Common Stocks	2,337,107	–	–	2,337,107
Participant Loans	–	–	193,937	193,937
Total Investments	$ 23,452,467	$ –	$ 193,937	$ 23,646,404

5. Fair Value Measurements (continued)

Total investments at fair value at December 31, 2008:

	Level 1	Level 2	Level 3	Total
Cash equivalents	$ 770,483	$ –	$ –	$ 770,483
Mutual Funds	15,402,920	–	–	15,402,920
Common Stocks	1,304,924	–	–	1,304,924
Participant Loans	–	–	212,305	212,305
Total Investments	$ 17,478,327	$	$ 212,305	$ 17,690,632

The change in investments measured at fair value for which the Plan has used Level 3 inputs to determine fair value is as follows:

	Level 3
Balance, January 1, 2009	$ 212,305
New issuance of loans	210,698
Net repayment of loans	(229,066)
Balance, December 31, 2009	$ 193,937

6. Forfeitures

Upon termination of employment, an employee may forfeit the non-vested portion of his or her account balance. Forfeited account balances are retained in the Plan and may first be used to pay administrative expenses. Any remaining amounts will be used to reduce employer contributions to the Plan. During the year ended December 31, 2009, Employer contributions receivable in the accompanying statement of changes in net assets available for benefits were reduced by $60,180 from forfeited non-vested accounts.

7. Income Tax Status

The underlying volume submitter prototype plan has received an opinion letter from the Internal Revenue Service ("IRS") dated March 31, 2008 stating the form of the plan is qualified under Section 401 of the Internal Revenue Code ("Code"), and therefore, the related trust is tax exempt. In accordance with Revenue Procedure 2009-6 and 2005-16, the Plan Sponsor has

7. Income Tax Status (continued)

determined that it is eligible to and has chosen to rely on the current IRS prototype plan opinion letter. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The plan administrator believes the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan is qualified and the related trust is tax exempt.

The Plan recognizes the tax benefits of uncertain tax positions only where the position is more-likely-than-not to be sustained assuming examination by tax authorities. Management has analyzed the Plan's tax positions, and has concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions for open United States Federal tax years 2006–2008, or expected to be taken in the Plan's 2009 tax returns. The Plan is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next 12 months.

8. Subsequent Events

Management evaluated subsequent events for the Plan through October 7, 2010, the date the financial statements were available to be issued.

Supplemental Schedule

EIN: 13-3255839
Plan: 001

Needham & Company, LLC 401(k) Plan

Schedule H, Line 4(i)—Schedule of Assets (Held at End of Year)

December 31, 2009

Description	Shares	Current Value
Cash Equivalents		
Fidelity Cash Reserves *	820,234	$ 820,234
Non Interest Bearing Cash	–	119,314
SSGA Money Market Fund	200	200
Total Cash		939,748
Mutual Funds Held Through BrokerageLink		
ARTISAN SMALL CAP VALUE	5,879	84,244
BARON SMALL CAP FUND	3,396	65,406
BARON PARTNERS FUND	1,351	21,130
CENTURY SMALL CAP SELECT INVESTOR CLASS	2,345	40,949
DODGE COX INTERNATIONAL STOCK FUND	2,278	72,560
DODGE COX STOCK FUND	432	41,535
DREYFUS S&P 500 INDEX	168	5,262
FAM VALUE FUND	538	21,166
FIDELITY CONVERTIBLE SECURITIES FUND	98	2,136
FIDELITY LEVERAGED COMPANY STOCK	44	1,003
FIDELITY TREND	120	6,734
JANUS ENTERPRISE FUND T SHARES	2,497	117,271
LOOMIS SAYLES FDS BOND FUND	1,903	25,290
PIONEER HIGH YIELD FUND	8,585	78,297
RS VALUE FUND	2,593	53,548
SELIGMAN COMMUNICATIONS INFO FUND	212	8,241
THIRD AVENUE FOCUSED CREDIT FUND	10,120	106,262
TWEEDY, BROWNE WORLDWIDE HIGH DIVIDEND YIELD VALUE	3,559	30,462
VANGUARD TARGET RETIREMENT 2035 FUND	4,934	57,335
VANGUARD INDEX TRUST 500 INDEX FUND	327	33,551
WINTERGREEN FUND	2,840	32,858
Total mutual funds held through BrokerageLink		$ 905,240

** Indicates party-in-interest to the plan*

Needham & Company, LLC 401(k) Plan

Schedule H, Line 4(i)—Schedule of Assets
(Held at End of Year) (continued)

Description	Shares	Current Value
Core Mutual Funds		
Artisan Mid Cap Value Fund*	10,195	$ 183,306
Fidelity Asset Manager Growth Fund*	17,030	244,037
Fidelity Capital and Income Fund*	120,942	1,042,521
Fidelity Diversified International Fund*	90,034	2,520,946
Fidelity Freedom Income Fund*	1,676	18,000
Fidelity Freedom 2020Fund*	160	2,005
Fidelity Freedom 2025 Fund*	145	1,509
Fidelity Freedom 2030 Fund*	233	2,891
Fidelity Freedom 2035 Fund*	914	9,379
Fidelity Freedom 2045 Fund*	3,984	33,744
Fidelity Freedom 2050 Fund*	6,902	57,631
Fidelity Fund*	39,358	1,115,415
Fidelity Growth Strategies Fund*	79,630	1,295,575
Fidelity Institutional Short – Intermediate Government Fund*	57,700	578,731
Fidelity Large Cap Stock Fund*	131,683	1,973,930
Fidelity Low Price Stock Fund*	27,354	873,682
Fidelity Magellan Fund*	423.413	27,234
Fidelity Retirement Money Market Fund*	3,082,092	3,082,092
Keeley Small Cap Value Fund*	4,223	83,699
Needham Aggressive Growth Fund*	27,229	337,090
Needham Growth Fund*	177,198	5,275,172
Needham Small Cap Growth Fund*	44,820	480,920
Weitz Value Fund*	1301	30,863
Total core mutual funds		19,270,372
Total mutual funds		$ 20,175,612
Common Stock Held Through Brokerage Link		
SEAGATE TECHNOLOGY	750	$ $13,643
XYRATEX LTD.	7,500	99,825
YUCHENG TECHNOLOGIES LIMITED	100	853
AOL INC.	18	$ 419

** Indicates party-in-interest to the plan*

Needham & Company, LLC 401(k) Plan

Schedule H, Line 4(i)—Schedule of Assets
(Held at End of Year) (continued)

Description	Shares	Current Value
AT&T INC.	300	$ 8,409
ACCESS PHARMACEUTICALS INC.	1,000	3,290
ADVANCED SEMICONDUCTOR	5,058	22,409
ALCOA INC.	2,000	32,240
ALCATEL SA	97	322
AMKOR TECHS INC.	5000	35,800
APPLE COMPUTER INC.	550	115,903
APPLIED MATERIALS INC.	1,000	13,940
ARCHER DANIELS MIDLAND	71	2,223
ARRIS GROUP INC NFS LLC	1000	11,430
AUTOMATIC DATA PROCESSING INC.	503	21,538
BANK OF AMERICA CORPORATION	500	7,530
BENCHMARK ELECTRICS INC.	103	1,948
BERKSHIRE HATHAWAY INC.	3	9,858
BIOSANTE PHARMACEUTICALS	16	23
BIOLASE TECH INC.	1,700	3,247
BOEING CO	35	1,880
C H ROBINSON WORLDWIDE INC.	506	29,717
CME GROUP INC.	73	24,525
CATERPILLAR INC.	39	2,247
CELGENE CORPORATION	100	5,568
CENOVUS ENERGY INC.	303	7,636
CENTRAL GOLD TRUST	1210	53,712
CIPRICO INC.	1,000	2
CITIGROUP INC.	1,000	3,310
COCA COLA CO	350	19,976
CONCURRENT COMPUTER CORPORATION	100	396
CORNING INC.	623	12,024
DEERE & COMPANY	233	12,623
DIREXION SHS ETF TR EMERGING MKTS BEAR	3100	15,469
DIREXION SHS ETF TR SMALL CAP BEAR 3X	650	6,409
DISNEY CO.	187	6,025
DONALDSON CO. INC	454	$ 19,313

** Indicates party-in-interest to the plan*

Needham & Company, LLC 401(k) Plan

Schedule H, Line 4(i)—Schedule of Assets
(Held at End of Year) (continued)

Description	Shares	Current Value
DRINKS AMERICAS HOLDINGS LTD	102,000	$ 1,428
EMC CORPORATION	250	4,368
ETFS PHYSICAL SWISS GOLD SHARES	1400	153,174
E*TRADE FINANCIAL CORPORATION	10000	17,600
ELAN CORPORATION	500	3,260
ELECTRONIC ARTS INC.	500	8,875
EMULEX CORPORATION	5000	54,500
ENCANA CORPORATION	503	16,292
ENERGYCONNECT GROUP INC.	50,000	3,500
EXPRESS SCRIPTS, INC.	350	30,247
EXXON MOBIL CORP.	225	15,343
FREEPORT-MCMORAN COPPER & GOLD INC.	12	963
GENERAL ELECTRIC CO.	6,669	100,908
GLAXOSMITHKLINE PLC	341	14,407
GLOBAL PAYMENTS, INC.	300	16,158
GOOGLE INC.	30	18,599
HEINZ (H.J.) CO.	1200	51,312
HONEYWELL INTERNATIONAL, INC.	82	3,198
ICX TECHNOLOGIES, INC	3,000	28,560
ICAGEN, INC.	1,000	452
IDEXX LABORATORIES, INC.	225	12,026
ING GLOBAL EQUITY DIVIDEND & PREMIUM OPPORTUNITY FUND	225	2,738
INNOVATIVE SOLUTIONS AND SUPPORT, INC	1,250	5,738
INSULET CORPORATION	1,700	24,276
INTEL CORPORATION	2401	48,989
INTERCLICK, INC.	150	785
INTERNAP NETWORK SERVICES CORPORATION	32	150
IROBOT CORPORATION	2,000	35,200
ISHARES S&P GSCI COMMODITY-INDEXED TRUST	200	6,364
ISHARES COMEX GOLD TRUST	900	96,633
ISHARES BARCLAYS TIPS BOND	252	26,164
ISHARES FTSE/XINHUA CHINA 25 INDEX	500	$ 21,130

** Indicates party-in-interest to the plan*

Needham & Company, LLC 401(k) Plan

Schedule H, Line 4(i)—Schedule of Assets
(Held at End of Year) (continued)

Description	Shares	Current Value
ISHARES MSCI EMERGING MARKETS INDEX	457	$ 18,959
ISHARES RUSSELL 2000 INDEX	101	6,328
JPMORGAN CHASE & CO.	142	5,917
LSI CORPORATION	28	168
LTX-CREDENCE CORPORATION	10000	17,800
LEAPFROG ENTERPRISES INC	2000	7,820
LEVEL 3 COMMUNICATIONS, INC.	670	1,025
LIONS GATE ENTERTAINMENT CORPORATION	2,000	11,620
MRV COMMUNICATIONS INC.	7,000	4,970
MSCI INC.	450	14,310
MCDONALD'S CORPORATION	115	7,199
MERITAGE HOMES CORPORATION	110	2,126
METTLER-TOLEDO INTERNATIONAL, INC.	150	15,749
NIKE, INC.	200	13,214
PNC FINANCIAL SERVICES GROUP	31	1,617
PALM INC.	100	1,003
PARAGON SHIPPING INC.	3,000	13,650
PATTERSON COMPANIES INC.	350	9,793
PEPSICO INC.	202	12,282
PFIZER INC.	1,750	31,833
PHOENIX TECHNOLOGIES LTD	1,000	2,750
POWERSHARES DB AGRICULTURE	1,450	38,338
POWERSHARES DB OIL	3,000	82,710
PROSHARES ULTRA DOW 30	2,024	88,652
PROSHARES ULTRASHORT 7-10 YEAR TREASURY	100	5,394
PROSHARES TR ULTRA SHORT FTSE	500	4,195
PROSHARES SHORT S&P500	200	10,512
PROSHARES ULTRASHORT FINANCIALS	265	6,421
PROSHARES ULTRA SEMICONDUCTORS	1608	53,763
PROSHARES ULTRA FINANCIALS	18038	101,553
PROSHARES ULTRASHORT DOW30	1170	34,480
PROSHARES ULTRASHORT QQQ	500	9,520
SPDR S&P 500 ETF	77	$ 8,570

** Indicates party-in-interest to the plan*

Needham & Company, LLC 401(k) Plan

Schedule H, Line 4(i)—Schedule of Assets
(Held at End of Year) (continued)

Description	Shares	Current Value
SPDR GOLD TRUST GS	370	$ 39,705
SPDR KBW BANK	250	5,293
SCHLUMBERGER LTD.	53	3,435
FINANCIAL SELECT SECTOR SPDR	1344	19,357
SENOMYX, INC.	400	1,508
SILICON GRAPHICS INTERNATIONAL CORPORATION	490	3,435
SIRIUS XM RADIO INC.	10,000	6,000
SOURCINGLINK.NET INC.	500	2
SPRINT NEXTEL CORPORATION	7000	25,620
STRYKER CORPORATION	152	7,656
SYNCHRONOSS TECHNOLOGIES, INC.	2,200	34,782
TASEKO MINES LTD	2,500	10,550
TECHNE CORPORATION	150	10,284
TELIK, INC.	360	282
TIME WARNER INC.	200	5,828
TIME WARNER CABLE INC.	50	2,070
UNITED STATES NATURAL GAS FUND, LP UNITED STATES NATURAL GAS FUND, LP ETF	980	9,878
UNITED STATES STEEL CORPORATION	22	1,183
VANGUARD FINANCIALS ETF	40	1,169
VARIAN MEDICAL SYSTEMS, INC.	452	21,176
VANGUARD TOTAL STOCK MARKET ETF	200	11,274
VISA INC. VISA INC.	50	4,380
WESTERN UNION CO.	1,007	18,982
WORLDCOM INC.	45	0
WORLDCOM INC - MCI GROUP	1	0
Total common Stocks		$ 2,337,107

** Indicates party-in-interest to the plan*

Needham & Company, LLC 401(k) Plan

Schedule H, Line 4(i)—Schedule of Assets
(Held at End of Year) (continued)

Description	Shares	Current Value
Participant Loans		
Notes mature between 2010 and 2019 and bear interest at rates which vary between 5.00% and 10.50% per annum		
Total loans		$ 193,937
Total investments		$ 23,646,404

A "Cost" Column is not applicable because all investment programs are fully participant directed.

* Indicates party-in-interest to the plan

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

Plan Name Needham & Company, LLC 401(k) Plan **EIN:** 13-3255839
Plan Sponsor's Name Needham & Company, LLC **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	See Attached Financials			