# 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
EXCELSIOR ORTHOPAEDICS, LLP 401(K) PROFIT SHARING PLAN

**1b** Three-digit plan number (PN) ▶ 001

**1c** Effective date of plan 09/01/1988

**2a** Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.)
EXCELSIOR ORTHOPAEDICS, LLP

3925 SHERIDAN DRIVE
AMHERST, NY 14226

**2b** Employer Identification Number (EIN)
16-1608040

**2c** Sponsor's telephone number
716-250-9999

**2d** Business code (see instructions)
621111

**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 | PAUL D. PATERSON M.D. |
| | **Signature of plan administrator** | Date | Enter name of individual signing as plan administrator |
| **SIGN HERE** | | | |
| | **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")
EXCELSIOR ORTHOPAEDICS, LLP

3925 SHERIDAN DRIVE
AMHERST, NY 14226

**3b** Administrator's EIN
16-1608040

**3c** Administrator's telephone number
716-250-9999

**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** | 191 |
| **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** | 125 |
| **b** | Retired or separated participants receiving benefits | **6b** | 0 |
| **c** | Other retired or separated participants entitled to future benefits | **6c** | 70 |
| **d** | Subtotal. Add lines **6a**, **6b**, and **6c** | **6d** | 195 |
| **e** | Deceased participants whose beneficiaries are receiving or are entitled to receive benefits | **6e** | 0 |
| **f** | Total. Add lines **6d** and **6e** | **6f** | 195 |
| **g** | Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | 172 |
| **h** | Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 29 |
| **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 3D 2A

**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<br>Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br>▶ **File as an attachment to Form 5500.** | **2009**<br>**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
EXCELSIOR ORTHOPAEDICS, LLP 401(K) PROFIT SHARING PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
EXCELSIOR ORTHOPAEDICS, LLP

**D** Employer Identification Number (EIN)
16-1608040

## 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).. . . . . [X] 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

P & A RETIREMENT PLAN SERVICES, INC

16-1533601

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

P & A FINANCIAL SECURITIES, INC.

16-1533600

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

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

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

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

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

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

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

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

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

**(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)

HAROLD C. BROWN & CO., LLC

ONE HSBC CENTER
STE. 3800
BUFFALO, NY 14203

| (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? |
|---|---|---|---|---|---|---|
| 27 | NONE | 7647 | Yes [ ] No [X] | Yes [ ] No [ ] | | Yes [ ] No [ ] |

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

CAPITAL RESEARCH & MANAGEMENT CO.

95-6847943

| (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? |
|---|---|---|---|---|---|---|
| 15 37 64 | NONE | 835 | Yes [X] No [ ] | Yes [X] No [ ] | 0 | Yes [ ] No [X] |

**(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 |
|---|---|---|
| | | |

| **(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)

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
EXCELSIOR ORTHOPAEDICS, LLP 401(K) PROFIT SHARING PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
EXCELSIOR ORTHOPAEDICS, LLP

**D** Employer Identification Number (EIN)
16-1608040

## Part I Asset and Liability Statement

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

| Assets | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **a** Total noninterest-bearing cash | 1a | 0 | 0 |
| **b** Receivables (less allowance for doubtful accounts): | | | |
| **(1)** Employer contributions | 1b(1) | 401182 | 423546 |
| **(2)** Participant contributions | 1b(2) | 0 | 0 |
| **(3)** Other | 1b(3) | 0 | 0 |
| **c** General investments: | | | |
| **(1)** Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | 0 | 45996 |
| **(2)** U.S. Government securities | 1c(2) | 217300 | 219093 |
| **(3)** Corporate debt instruments (other than employer securities): | | | |
| **(A)** Preferred | 1c(3)(A) | 0 | 0 |
| **(B)** All other | 1c(3)(B) | 0 | 0 |
| **(4)** Corporate stocks (other than employer securities): | | | |
| **(A)** Preferred | 1c(4)(A) | 0 | 0 |
| **(B)** Common | 1c(4)(B) | 1192439 | 1403113 |
| **(5)** Partnership/joint venture interests | 1c(5) | 0 | 0 |
| **(6)** Real estate (other than employer real property) | 1c(6) | 0 | 0 |
| **(7)** Loans (other than to participants) | 1c(7) | 0 | 0 |
| **(8)** Participant loans | 1c(8) | 43731 | 41679 |
| **(9)** Value of interest in common/collective trusts | 1c(9) | 0 | 0 |
| **(10)** Value of interest in pooled separate accounts | 1c(10) | | |
| **(11)** Value of interest in master trust investment accounts | 1c(11) | 0 | 0 |
| **(12)** Value of interest in 103-12 investment entities | 1c(12) | 0 | 0 |
| **(13)** Value of interest in registered investment companies (e.g., mutual funds) | 1c(13) | 3120593 | 4436687 |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | | |
| **(15)** Other | 1c(15) | 0 | 0 |

| | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **1d** Employer-related investments: | | | |
| **(1)** Employer securities | 1d(1) | 0 | 0 |
| **(2)** Employer real property | 1d(2) | 0 | 0 |
| **e** Buildings and other property used in plan operation | 1e | 0 | 0 |
| **f** Total assets (add all amounts in lines 1a through 1e) | 1f | 4975245 | 6570114 |
| **Liabilities** | | | |
| **g** Benefit claims payable | 1g | 0 | 0 |
| **h** Operating payables | 1h | 0 | 0 |
| **i** Acquisition indebtedness | 1i | 0 | 0 |
| **j** Other liabilities | 1j | 0 | 0 |
| **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 | 4975245 | 6570114 |

## 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) | 423546 | |
| **(B)** Participants | 2a(1)(B) | 327953 | |
| **(C)** Others (including rollovers) | 2a(1)(C) | 0 | |
| **(2)** Noncash contributions | 2a(2) | 0 | |
| **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 751499 |
| **b Earnings on investments:** | | | |
| **(1)** Interest: | | | |
| **(A)** Interest-bearing cash (including money market accounts and certificates of deposit) | 2b(1)(A) | 413 | |
| **(B)** U.S. Government securities | 2b(1)(B) | 1793 | |
| **(C)** Corporate debt instruments | 2b(1)(C) | 0 | |
| **(D)** Loans (other than to participants) | 2b(1)(D) | 0 | |
| **(E)** Participant loans | 2b(1)(E) | 2887 | |
| **(F)** Other | 2b(1)(F) | 0 | |
| **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 5093 |
| **(2)** Dividends: **(A)** Preferred stock | 2b(2)(A) | 0 | |
| **(B)** Common stock | 2b(2)(B) | 42404 | |
| **(C)** Registered investment company shares (e.g. mutual funds) | 2b(2)(C) | 65710 | |
| **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | 108114 |
| **(3)** Rents | 2b(3) | | 0 |
| **(4)** Net gain (loss) on sale of assets: **(A)** Aggregate proceeds | 2b(4)(A) | 0 | |
| **(B)** Aggregate carrying amount (see instructions) | 2b(4)(B) | 0 | |
| **(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) | 0 | |
| | (B) Other | 2b(5)(B) | 0 | |
| | (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) | | 0 |
| | (7) Net investment gain (loss) from pooled separate accounts | 2b(7) | | 0 |
| | (8) Net investment gain (loss) from master trust investment accounts | 2b(8) | | 0 |
| | (9) Net investment gain (loss) from 103-12 investment entities | 2b(9) | | 0 |
| | (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) | 2b(10) | | 762033 |
| c | Other income | 2c | | 253435 |
| d | Total income. Add all **income** amounts in column (b) and enter total | 2d | | 1880174 |
| | **Expenses** | | | |
| e | Benefit payment and payments to provide benefits: | | | |
| | (1) Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 271859 | |
| | (2) To insurance carriers for the provision of benefits | 2e(2) | 0 | |
| | (3) Other | 2e(3) | 0 | |
| | (4) Total benefit payments. Add lines 2e(1) through (3) | 2e(4) | | 271859 |
| f | Corrective distributions (see instructions) | 2f | | 0 |
| g | Certain deemed distributions of participant loans (see instructions) | 2g | | 3187 |
| h | Interest expense | 2h | | 0 |
| i | Administrative expenses: (1) Professional fees | 2i(1) | 0 | |
| | (2) Contract administrator fees | 2i(2) | 935 | |
| | (3) Investment advisory and management fees | 2i(3) | 9324 | |
| | (4) Other | 2i(4) | 0 | |
| | (5) Total administrative expenses. Add lines 2i(1) through (4) | 2i(5) | | 10259 |
| j | Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 285305 |
| | **Net Income and Reconciliation** | | | |
| k | Net income (loss). Subtract line 2j from line 2d | 2k | | 1594869 |
| l | Transfers of assets: | | | |
| | (1) To this plan | 2l(1) | | 0 |
| | (2) From this plan | 2l(2) | | 0 |

## Part III Accountant's Opinion

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

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

**(1)** [X] Unqualified **(2)** [ ] Qualified **(3)** [ ] Disclaimer **(4)** [ ] Adverse

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

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

**(1)** Name: LUMSDEN & MCCORMICK **(2)** EIN: 16-0765486

**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 | | 500000 |
| **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
EXCELSIOR ORTHOPAEDICS, LLP 401(K) PROFIT SHARING PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
EXCELSIOR ORTHOPAEDICS, LLP

**D** Employer Identification Number (EIN)
16-1608040

## 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): 95-6817943

**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** 16

## 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):

# EXCELSIOR ORTHOPAEDICS, LLP
# 401(k) PROFIT SHARING PLAN

## FINANCIAL STATEMENTS
## WITH ADDITIONAL INFORMATION

December 31, 2009

Lumsden & McCormick, LLP
Certified Public Accountants

## INDEPENDENT AUDITORS' REPORT

The Plan Administrator
Excelsior Orthopaedics, LLP
401(k) Profit Sharing Plan

We have audited the accompanying statements of net assets available for benefits of Excelsior Orthopaedics, LLP 401(k) Profit Sharing Plan (the Plan) as of December 31, 2009 and 2008 and the related statement of changes in net assets available for benefits for the year ended December 31, 2009. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2009 and 2008, and the changes in net assets available for benefits for the year ended December 31, 2009, in conformity with accounting principles generally accepted in the United States of America.

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

Lumsden & McCormick, LLP

October 11, 2010

## Statements of Net Assets Available for Benefits

| December 31, | 2009 | 2008 |
|---|---|---|
| Investments at fair value (Note 3): | | |
| Mutual funds | $ 4,007,690 | $ 2,646,091 |
| Common stock | 1,403,112 | 1,174,727 |
| U.S. government securities | 219,093 | 217,300 |
| Corporate bonds | 25,903 | - |
| Cash equivalents | 449,091 | 492,214 |
| Participant loans | 41,679 | 43,731 |
| Total investments | 6,146,568 | 4,574,063 |
| Employer contributions receivable | 423,546 | 401,182 |
| Net assets available for benefits | $ 6,570,114 | $ 4,975,245 |

*See accompanying notes.*

## Statement of Changes in Net Assets Available for Benefits

For the year ended December 31, 2009

| | |
|---|---|
| Additions to net assets attributed to: | |
| Investment income: | |
| Net appreciation in fair value of investments (Note 3) | $ 1,015,468 |
| Dividend income | 108,114 |
| Interest income | 5,093 |
| | 1,128,675 |
| Contributions: | |
| Employer | 423,546 |
| Participants (includes rollovers from other qualified plans) | 327,953 |
| | 751,499 |
| **Total additions** | 1,880,174 |
| Deductions from net assets attributed to: | |
| Benefits paid to participants | 275,046 |
| Administrative Fees | 10,259 |
| **Total deductions** | 285,305 |
| **Net change** | 1,594,869 |
| Net assets available for benefits: | |
| Beginning | 4,975,245 |
| Ending | $ 6,570,114 |

*See accompanying notes.*

## Notes to Financial Statements

### 1. Description of Plan:

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

#### General:

The Plan is a defined contribution plan covering essentially all employees of Excelsior Orthopaedics, LLP (the Sponsor) who have attained age 21 and have 3 months of service. All newly eligible participants are enrolled into the Plan immediately under the Plan's default investment option unless another permitted percentage and/or investment option is selected by the participant. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

#### Contributions:

Each year, participants may contribute up to 100% of pretax annual compensation, as defined in the Plan, provided total additions to the account of participating employees for any plan year shall not exceed the amount permitted by Internal Revenue Service regulations. 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 may elect to make safe harbor contributions to the Plan. There was a safe harbor contribution of 3% of participants' eligible compensation made in 2009.

The Plan allows discretionary profit-sharing contributions, determined by the Sponsor's members, and allocates them to participants based on eligible compensation and participant classification.

The Plan also allows discretionary matching contributions. Amounts are determined by the Sponsor's members, and the contributions are based on a percentage of participants' elective deferrals. There were no matching contributions in 2009.

Participants direct their contributions and the corresponding employer contributions into various investment options offered by the Plan.

#### Participant Accounts:

Each participant's account is credited with the participant's contribution and allocations of (a) the Sponsor's contribution and (b) Plan earnings and allocations of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

#### Vesting:

Participants are vested immediately in their contributions, the Sponsor's safe harbor contributions, plus actual earnings thereon. Vesting in the Sponsor's profit sharing and matching contribution portion of participant accounts is based on years of continuous service. A participant is 100% vested after 6 years of credited service.

#### Participant Loans:

Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50 percent of their account balance. The loans are secured by the balance in the participant's account and bear interest at rates which are commensurate with local prevailing rates as determined quarterly by the plan administrator. Principal and interest is paid ratably through monthly payroll deductions.

#### Payment of Benefits:

Upon termination of service due to death, disability, or retirement, a participant may elect to receive a lump-sum amount equal to the value of the participant's vested interest in his or her account, annual installments, or annuity options. For termination of service due to other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution.

Forfeitures:

At December 31, 2009 and 2008, forfeited non-vested accounts totaled $4,037 and $822. These amounts will be used to reduce future employer contributions.

2. Summary of Significant Accounting Policies:

Basis of Accounting:

The financial statements of the Plan are prepared under the accrual method of accounting.

Use of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan's 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.

Investment Valuation and Income Recognition:

The Plan's investments are stated at fair value. Participant loan fair values approximate amortized cost. Other investment values are based on quoted prices in active markets.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Unrealized appreciation or depreciation on investments is charged or credited to the net assets of the Plan.

Payment of Benefits:

Benefits are recorded when paid.

Administrative Costs:

Various administrative costs were paid by the Sponsor.

3. Investments:

Net appreciation in fair values of investments for the year ended December 31, 2009 is as follows:

| | |
|---|---|
| Mutual funds | $ 759,828 |
| Common stock | 253,435 |
| U.S. government and corporate bonds | 2,205 |
| | $ 1,015,468 |

As of December 31, 2009 and 2008, the following Plan investments represent 5% or more of the Plan's net assets:

| | 2009 | 2008 |
|---|---|---|
| Mutual Funds: | | |
| American Funds Growth Fund of America R3 | $ 740,358 | $ 442,992 |

Fair Value Measurements:

| | December 31, 2009 Based on | | |
|---|---|---|---|
| | Quoted Prices in Active Markets | Other Observable Inputs | Unobservable Inputs |
| Common stock, mutual funds, US government and corporate bonds, and cash equivalents | $ 6,104,889 | $ - | $ - |
| Particpant loans | - | - | 41,679 |
| | $ 6,104,889 | $ - | $ 41,679 |

| | December 31, 2008 Based on | | |
|---|---|---|---|
| | Quoted Prices in Active Markets | Other Observable Inputs | Unobservable Inputs |
| Common stock, mutual funds, US government bonds, and cash equivalents | $ 4,530,332 | $ - | $ - |
| Particpant loans | - | - | 43,731 |
| | $ 4,530,332 | $ - | $ 43,731 |

Following is a reconciliation of activity for 2009 for assets measured at fair value based on significant unobservable (non-market) information:

| | Participant Loans |
|---|---|
| Balance, beginning of year | $ 43,731 |
| Purchases, issuances and settlements (net) | (2,052) |
| Balance, end of year | $ 41,679 |

## 4. Plan Termination:

Although it has no intent to do so, the Sponsor has the right to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, Plan participants would become 100% vested in their employer contributions.

## 5. Tax Status:

The Internal Revenue Service has issued a favorable determination letter on the tax status of the Plan. Accordingly, no provision has been made for income taxes. The Plan believes it is no longer subject to examination by federal and state taxing authorities for years prior to 2006.

## 6. Risks and Uncertainties:

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

## 7. Subsequent Events:

The Plan has evaluated events and transactions for potential recognition or disclosure in the financial statements through October 11, 2010 (the date the financial statements were available to be issued).

**EIN: 16-1608040**
**Plan Number 001**
**Additional Information**
**Schedule of Assets Held (at End of Year)**
**Schedule H, Part IV, Line 4i**

December 31, 2009

| (a) * | (b) (c) | (e) Current Value |
|---|---|---|
| Mutual Funds: | | |
| | AIM Mid Cap Core Equity A | $ 6,079 |
| | AIM Developing Market Funds | 5,925 |
| * | American Funds Euro Pacific Growth Fund A | 16,058 |
| | Franklin Templeton Developing Markets A | 8,157 |
| | Neuberger Berman Fasciano Fund | 6,124 |
| | Oppenheimer Developing Markets Fund A | 11,073 |
| | Delaware Diversified Income Fund A | 14,127 |
| * | American Funds Income Fund of America | 15,048 |
| * | American Funds Capital Income Builder Fund A | 14,043 |
| | Gateway Fund A | 16,112 |
| | UBS Dynamic Alpha Fund A | 10,185 |
| | Calvert World Values Cap Accumulation A | 33,245 |
| | Eaton Vance Dividend Builder Fund A | 93 |
| | Franklin Income Fund A | 14,858 |
| | Jennison Natural Resources Fund | 41,310 |
| | Virtus Global Infrastructure Fund | 48,134 |
| | Blackrock Real Asset Equity | 7,539 |
| | Alberdeen Global Financial Services B | 58,593 |
| | Hancock John Patriot Fund | 10,468 |
| | Putnam Asset Allocation Growth Fund A | 25,498 |
| | Lazard World Dividend & Income Fund | 6,534 |
| * | American Funds Growth Fund of America | 40,425 |
| | Harbor International Fund | 3,430 |
| | Ishares MSCI Emerging Markets Index Fund | 7,470 |
| | Ishares MSCI Russel 2000 Index Fund | 9,366 |

**EIN: 16-1608040**
**Plan Number 001**
**Additional Information**
**Schedule of Assets Held (at End of Year)**
**Schedule H, Part IV, Line 4i**

December 31, 2009

| (a) * | (b) (c) | (e) Current Value |
|---|---|---|
| Mutual Funds (Continued): | | |
| | Calamos Growth and Income A | $ 16,598 |
| | Davis New York Venture A | 26,553 |
| | Hartford Mid Cap Fund Class A | 6,069 |
| | Templeton Growth A | 11,656 |
| | Artisan International Fund | 11,953 |
| | Harbor Capital Appreciation Fund | 7,665 |
| | Oakmark Select I | 14,102 |
| | Schwab S&P Index Fund | 109,857 |
| | Third Avenue Value | 19,037 |
| | Wells Fargo Advantage C&B Mid Cap Value Investment | 81,383 |
| | Dodge & Cox International Fund | 20,114 |
| | Dodge & Cox Income Fund | 51,716 |
| | T Rowe Price New Era Fund | 7,644 |
| | Third Avenue Real Estate Value Fund | 5,636 |
| | Vanguard Mid-Cap Value Index | 8,031 |
| | Vanguard Small-Cap Value | 5,829 |
| | Alger Small Cap Growth Instl Fund Class I | 6,043 |
| | Alger Instl Fund Midcap Growth | 11,529 |
| | Eaton Vance SPL Invt Large Cap Value Fund Class I | 19,639 |
| | Growth Fund of America Class F | 29,294 |
| | Lazard Emerging Markets Fund | 18,200 |
| | Loomis Sayles Strategic Income Fund | 10,073 |
| | Mutual Series Shares Class A | 11,712 |
| | T Rowe Price Small Cap Value | 1,378 |
| | Thornburg International Value Fund Class I | 36,512 |
| | Ishares Russell Midcap Value Index Fund | 3,846 |
| | Artisan Mid Cap Value Fund | 5,508 |
| | Aston Montag & Caldwell Growth Fund | 8,805 |
| | American Century Heritage | 3,267 |

**EIN: 16-1608040**
**Plan Number 001**
**Additional Information**
**Schedule of Assets Held (at End of Year)**
**Schedule H, Part IV, Line 4i**

December 31, 2009

| (a) * | (b) (c) | (e) Current Value |
|---|---|---|
| Mutual Funds (Continued): | | |
| | Bond Fund of America Class F | $ 4,185 |
| | Capital World Bond Fund Class F | 1,777 |
| | Eaton Vance Large-Cap Value Fund Class A | 6,506 |
| | EuroPacific Growth Fund Class F | 7,941 |
| | Fundamental Investors Fund Class F | 6,805 |
| | Lord Abbett Developing Growth Fund Class A | 4,300 |
| | New World Fund Class F | 5,677 |
| | Pimco Total Return Fund Class A | 4,797 |
| | Templeton Global Bond Fund Advisor Class | 2,045 |
| | Van Kampen Equity TR Small Cap Value Fund Class I | 1,604 |
| | Western Asset Core Plus Portfolio Instl Class | 3,815 |
| | Vanguard GNMA | 22,071 |
| | Vanguard Inflation Protected Securities | 20,879 |
| | Dimensional ADV US Small Cap Value | 10,249 |
| | Dimensional Global Equity Portfolio | 63,285 |
| | Vanguard Bond Index Total Market | 52,881 |
| | Dimensional Advisor Emerging Markets Value | 18,071 |
| * | American Funds Washington Mutual | 98,336 |
| * | American Funds Growth Fund of America R3 | 740,358 |
| * | American Funds Income Fund of America R3 | 278,038 |
| * | American Funds New Perspective R3 | 153,046 |
| * | American Funds Bond Fund of America R3 | 222,292 |
| * | American Funds Fundamental Investors R3 | 88,674 |
| * | American Funds American Balanced R3 | 308,782 |
| * | American Funds Europacific Growth R3 | 233,931 |
| * | American Funds Intermediate Bond Fund of America R3 | 179,300 |
| * | American Funds Capital World Growth R3 | 259,011 |
| * | American Funds Small cap World Fund R3 | 209,490 |
| | | 4,007,690 |

**EIN: 16-1608040**
**Plan Number 001**
**Additional Information**
**Schedule of Assets Held (at End of Year)**
**Schedule H, Part IV, Line 4i**

December 31, 2009

| (a) * | (b) (c) | (e) Current Value |
|---|---|---|
| Common Stock: | | |
| | Alcoa Inc | $ 9,559 |
| | American International Group Inc | 899 |
| | Amgen Inc | 13,181 |
| | Arch Coal Inc | 7,387 |
| | AT&T | 30,104 |
| | Avon Products Inc | 12,348 |
| | Bank of America Corp | 7,394 |
| | Bank of New York Mellon Corp | 8,391 |
| | Berkshire Hathaway Co CL B | 59,148 |
| | BP PLC SPONS ADR | 10,493 |
| | Chevron Corporation | 19,017 |
| | Cisco Systems Inc | 20,014 |
| | Citigroup Inc | 2,575 |
| | Colgate Palmolive | 16,430 |
| | Comcast Corp Cl A | 22,761 |
| | Costco WHSL Corp NewCom | 5,917 |
| | Cyberdefender Corp | 11,750 |
| | Dominion Res Inc VA Com | 9,730 |
| | Dominion Res Inc VA New Enhanced Jr Sub | 13,700 |
| | Danaher Corp | 15,040 |
| | Digimarc Corp | 5,996 |
| | Du Pont EI De Nemours and Co | 6,431 |
| | Duke Energy Corp | 25,109 |
| | Exxon Mobil Corp | 97,921 |
| | FNB Corp | 679 |
| | Fortune Brands Inc Com | 4,320 |
| | General Electric Co Com | 42,686 |
| | Genworth Finl Inc | 6,810 |
| | Genzyme Corp | 8,822 |
| | Gilead Sciences Inc | 11,599 |
| | Goldcorp Inc New Com | 7,868 |
| | Goldman Sachs Group Inc | 10,975 |
| | Hewlett Packard Co Com | 14,165 |

**EIN: 16-1608040**
**Plan Number 001**
**Additional Information**
**Schedule of Assets Held (at End of Year)**
**Schedule H, Part IV, Line 4i**

December 31, 2009

| (a) * | (b) (c) | (e) Current Value |
|---|---|---|
| Common Stock (Continued): | | |
| | Home Depot Inc | $ 10,559 |
| | HSBC Holdings PLC | 8,556 |
| | Ipass Inc | 2,080 |
| | Johnson & Johnson | 27,310 |
| | JP Morgan Chase & Co | 20,043 |
| | M&T Bank Corp | 72,576 |
| | M&T Cap TR Enhanced | 23,823 |
| | Manitowoc Company Inc | 5,972 |
| | Mcdonalds Corp | 9,366 |
| | Medtronic Inc | 8,796 |
| | Merck & Co Inc | 7,089 |
| | Microsoft Corp Com | 63,419 |
| | Monster Worldwide Inc | 7,047 |
| | Morgan Stanley & Co | 13,438 |
| | Motorola Inc | 28,712 |
| | Motors Liq Co | 123 |
| | National Fuel Gas Co | 123,400 |
| | Nokia Corp Sponsored ADR | 1,285 |
| | Nothfield Bancorp Inc | 2,704 |
| | Novartis AG Sponsored ADR | 21,772 |
| | Oracle Corp Com | 9,816 |
| | Paychex Inc | 6,128 |
| | Peabody Energy Corp com | 30,743 |
| | Pepsico Inc | 16,477 |
| | Pfizer Inc Com | 40,473 |
| | Philip Morris International Inc | 6,554 |
| | Post Properties Inc REIT | 2,803 |
| | PS Business Pks Inc Calif | 4,805 |
| | Schlumberger LTD com | 24,409 |
| | Sigma Aldrich Corp | 10,106 |
| | Sotheby's | 6,316 |
| | Sovran Self Storage Inc | 53,595 |

**EIN: 16-1608040**
**Plan Number 001**
**Additional Information**
**Schedule of Assets Held (at End of Year)**
**Schedule H, Part IV, Line 4i**

December 31, 2009

| (a) * | (b) (c) | (e) Current Value |
|---|---|---|
| Common Stock (Continued): | | |
| | Stryker Corp | $ 10,074 |
| | Suncor Energy Inc | 16,101 |
| | Sunoco Inc | 6,447 |
| | Suntech Power Holdings Co | 5,022 |
| | Symantec Corp | 12,523 |
| | Sysco Corp | 5,588 |
| | Telstra Corporation LTD Spon ADR | 32,483 |
| | The Southern Company | 18,293 |
| | Travelers Cos Inc Com | 7,479 |
| | Verizon Communications COM | 30,082 |
| | Walmart Stores Inc | 32,070 |
| | Wells Fargo Company | 8,097 |
| | Zimmer Holdings Inc | 9,339 |
| | | 1,403,112 |
| Corporate Bonds | | |
| | Wells Fargo & Co New Com | 25,903 |

**EIN: 16-1608040**
**Plan Number 001**
**Additional Information**
**Schedule of Assets Held (at End of Year)**
**Schedule H, Part IV, Line 4i**

December 31, 2009

| (a) * | (b) (c) | (e) Current Value |
|---|---|---|
| U.S. Government Securities: | | |
| | $250,000 U.S. Treasury Strips; maturity date 11/15/14 | $ 219,093 |
| Cash Equivalents: | | |
| * | American Funds Sweep Account | 298,944 |
| | Fidelity Cash Reserves | 224 |
| | Federated Capital Reserve | 16,243 |
| | Dreyfus Money Market Instruments | 5,636 |
| | Carolina First Bank CD | 20,094 |
| | CMA Money Fund | 26,792 |
| | Dreyfus Government Cash Accounts | 31,954 |
| | Schwab Money Market Fund Sweep Account | 25,203 |
| | Sunamerica Money Market Fund Sweep Account | 41 |
| | UBS Ret Money Fund | 22,917 |
| | Wachovia Bank I.A. Bank Deposit Sweep Account | 1,043 |
| | | 449,091 |
| * | Participant Loans (7% - 10.25%) | 41,679 |
| | | $ 6,146,568 |

* Investments are with parties-in-interest.

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

**Plan Name** EXCELSIOR ORTHOPAEDICS, LLP 401(k) PROFIT SHARING PLAN **EIN:** 16-1608040
**Plan Sponsor's Name** EXCELSIOR ORTHOPAEDICS, LLP **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 |
|---|---|---|---|---|
| | AMERICAN FUNDS | MUTUAL FUNDS | 0 | 3,070,202 |
| | AIG | MUTUTAL FUNDS | 0 | 71,218 |
| | CADARET GRANT | MUTUAL FUNDS | 0 | 248,701 |
| | CADARET GRANT | COMMON STOCKS | 0 | 743,434 |
| | CADARET GRANT | GOVERNMENT SECURITIES | 0 | 219,093 |
| | CHARLES SCHWAB | MUTUAL FUNDS | 0 | 269,200 |
| | CHARLES SCHWAB | COMMON STOCKS | 0 | 128,925 |

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

**Plan Name** EXCELSIOR ORTHOPAEDICS, LLP 401(k) PROFIT SHARING PLAN **EIN:** 16-1608040
**Plan Sponsor's Name** EXCELSIOR ORTHOPAEDICS, LLP **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 |
|---|---|---|---|---|
| | FIDELITY | MUTUAL FUNDS | 0 | 144,711 |
| | FIDELITY | COMMON STOCKS | 0 | 46,029 |
| | FIDELITY | FIXED INCOME | 0 | 25,903 |
| | HAROLD C. BROWN | MUTUAL FUNDS | 0 | 176,848 |
| | HAROLD C. BROWN | COMMON STOCKS | 0 | 484,724 |
| | MERRILL LYNCH | MUTUAL FUNDS | 0 | 26,792 |
| | MERRILL LYNCH | FIXED INCOME | 0 | 20,094 |

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

**Plan Name** EXCELSIOR ORTHOPAEDICS, LLP 401(k) PROFIT SHARING PLAN **EIN:** 16-1608040
**Plan Sponsor's Name** EXCELSIOR ORTHOPAEDICS, LLP **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 |
|---|---|---|---|---|
| | SMITH BARNEY | MUTUAL FUNDS | 0 | 204,118 |
| | UBS | MUTUAL FUNDS | 0 | 224,897 |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |