

<b>Form 5500</b>  Department of the Treasury Internal Revenue Service  Department of Labor Employee Benefits Security Administration  Pension Benefit Guaranty Corporation	<b>Annual Return/Report of Employee Benefit Plan</b>  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).  ▶ <b>Complete all entries in accordance with the instructions to the Form 5500.</b>	OMB Nos. 1210-0110 1210-0089  <b>2009</b>  <b>This Form is Open to Public Inspection</b>
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<b>Part I</b>	<b>Annual Report Identification Information</b>
For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009	
<b>A</b> This return/report is for:	<input type="checkbox"/> a multiemployer plan; <input type="checkbox"/> a multiple-employer plan; or <input checked="" type="checkbox"/> a single-employer plan; <input type="checkbox"/> a DFE (specify) ____
<b>B</b> This return/report is:	<input type="checkbox"/> the first return/report; <input type="checkbox"/> the final return/report; <input checked="" type="checkbox"/> an amended return/report; <input type="checkbox"/> a short plan year return/report (less than 12 months).
<b>C</b> If the plan is a collectively-bargained plan, check here. . . . .	<input type="checkbox"/>
<b>D</b> Check box if filing under:	<input checked="" type="checkbox"/> Form 5558; <input type="checkbox"/> automatic extension; <input type="checkbox"/> the DFVC program; <input type="checkbox"/> special extension (enter description)

<b>Part II</b>	<b>Basic Plan Information</b> —enter all requested information
<b>1a</b> Name of plan HENRY MODELL & CO., INC. EMPLOYEES RETIREMENT PLAN	<b>1b</b> Three-digit plan number (PN) ▶ 001
	<b>1c</b> Effective date of plan 01/01/1973
<b>2a</b> Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.)  MODELLS, INC.  498 SEVENTH AVENUE NEW YORK, NY 10018	<b>2b</b> Employer Identification Number (EIN) 13-5518048  <b>2c</b> Sponsor's telephone number 212-822-1000  <b>2d</b> Business code (see instructions) 451110

**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.

<b>SIGN HERE</b>	Filed with authorized/valid electronic signature.	10/14/2010	MICHAEL SCANNELLA
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
<b>SIGN HERE</b>	Filed with authorized/valid electronic signature.	10/14/2010	MICHAEL SCANNELLA
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
<b>SIGN HERE</b>			
	Signature of DFE	Date	Enter name of individual signing as DFE

<b>3a</b> Plan administrator's name and address (if same as plan sponsor, enter "Same") MODELLS, INC.  498 SEVENTH AVENUE NEW YORK, NY 10018	<b>3b</b> Administrator's EIN 13-5518048  <b>3c</b> Administrator's telephone number 212-822-1000
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<b>4</b> If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:  <b>a</b> Sponsor's name	<b>4b</b> EIN  <b>4c</b> PN
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<b>5</b> Total number of participants at the beginning of the plan year	<b>5</b>	1345
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<b>6</b> Number of participants as of the end of the plan year (welfare plans complete only lines <b>6a</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ).		
<b>a</b> Active participants.....	<b>6a</b>	722
<b>b</b> Retired or separated participants receiving benefits.....	<b>6b</b>	57
<b>c</b> Other retired or separated participants entitled to future benefits.....	<b>6c</b>	550
<b>d</b> Subtotal. Add lines <b>6a</b> , <b>6b</b> , and <b>6c</b> .....	<b>6d</b>	1329
<b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	<b>6e</b>	7
<b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> .....	<b>6f</b>	1336
<b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	<b>6g</b>	
<b>h</b> Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	<b>6h</b>	62

  

<b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) .....	<b>7</b>	
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**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:  
 1A 1G 3D 3H

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

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

<b>a Pension Schedules</b> (1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information) (2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary  (3) <input checked="" type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	<b>b General Schedules</b> (1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information) (2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan) (3) <input type="checkbox"/> <b>A</b> (Insurance Information) (4) <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information) (5) <input type="checkbox"/> <b>D</b> (DFE/Participating Plan Information) (6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules)
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<b>SCHEDULE SB</b> <b>(Form 5500)</b>  Department of the Treasury Internal Revenue Service  Department of Labor Employee Benefits Security Administration  Pension Benefit Guaranty Corporation	<b>Single-Employer Defined Benefit Plan</b> <b>Actuarial Information</b>  This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).  ▶ <b>File as an attachment to Form 5500 or 5500-SF.</b>	OMB No. 1210-0110  <b>2009</b>  <b>This Form is Open to Public Inspection</b>
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For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

<b>A</b> Name of plan HENRY MODELL & CO., INC. EMPLOYEES RETIREMENT PLAN	<b>B</b> Three-digit plan number (PN) ▶ 001
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF MODELLS, INC.	<b>D</b> Employer Identification Number (EIN) 13-5518048
<b>E</b> Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B	<b>F</b> Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500

<b>Part I</b>	<b>Basic Information</b>
<b>1</b> Enter the valuation date: Month 01 Day 01 Year 2009	
<b>2</b> Assets:	
<b>a</b> Market value .....	<b>2a</b> 12496711
<b>b</b> Actuarial value .....	<b>2b</b> 12496711
<b>3</b> Funding target/participant count breakdown	
	(1) Number of participants (2) Funding Target
<b>a</b> For retired participants and beneficiaries receiving payment .....	<b>3a</b> 56 2233403
<b>b</b> For terminated vested participants .....	<b>3b</b> 544 5483406
<b>c</b> For active participants:	
(1) Non-vested benefits .....	<b>3c(1)</b> 452225
(2) Vested benefits .....	<b>3c(2)</b> 9390657
(3) Total active .....	<b>3c(3)</b> 745 9842882
<b>d</b> Total .....	<b>3d</b> 1345 17559691
<b>4</b> If the plan is at-risk, check the box and complete items (a) and (b) .....	
<b>a</b> Funding target disregarding prescribed at-risk assumptions .....	<b>4a</b>
<b>b</b> Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor .....	<b>4b</b>
<b>5</b> Effective interest rate .....	<b>5</b> 6.50 %
<b>6</b> Target normal cost .....	<b>6</b> 1213263

**Statement by Enrolled Actuary**

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

<b>SIGN HERE</b>		10/06/2010
Signature of actuary NACHMAN YAAKOV ZISKIND, EA, JD		Date 08-05856
Type or print name of actuary ECONOMIC GROUP PENSION SERVICES		Most recent enrollment number 212-494-9063
Firm name 333 SEVENTH AVENUE NEW YORK, NY 10001		Telephone number (including area code)
Address of the firm		

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

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

**Schedule SB (Form 5500) 2009**  
**v.092308.1**

Part II Beginning of year carryover and prefunding balances		
	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (Item 13 from prior year) .....	0	0
8 Portion used to offset prior year's funding requirement (Item 35 from prior year) .....	0	0
9 Amount remaining (Item 7 minus item 8).....	0	0
10 Interest on item 9 using prior year's actual return of _____% .....	0	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Excess contributions (Item 38 from prior year) .....		0
b Interest on (a) using prior year's effective rate of _____% .....		0
c Total available at beginning of current plan year to add to prefunding balance .....		0
d Portion of (c) to be added to prefunding balance.....		0
12 Reduction in balances due to elections or deemed elections.....	0	0
13 Balance at beginning of current year (item 9 + item 10 + item 11d – item 12).....	0	0

Part III Funding percentages		
14 Funding target attainment percentage.....	14	71.17 %
15 Adjusted funding target attainment percentage.....	15	71.17 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	136.14 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	%

Part IV Contributions and liquidity shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
09/15/2010	2105518	0			
Totals ►			18(b)	2105518	18(c)

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a Contributions allocated toward unpaid minimum required contribution from prior years.....	19a	0
b Contributions made to avoid restrictions adjusted to valuation date .....	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	1890938
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year? .....	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? .....	<input type="checkbox"/> Yes <input type="checkbox"/> No	
c If 20a is "Yes," see instructions and complete the following table as applicable:		

Liquidity shortfall as of end of Quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

**Part V Assumptions used to determine funding target and target normal cost**

<b>21</b> Discount rate:				
<b>a</b> Segment rates:	1st segment: 5.64 %	2nd segment: 6.40 %	3rd segment: 6.56 %	<input type="checkbox"/> N/A, full yield curve used
<b>b</b> Applicable month (enter code) .....				<b>21b</b> 0
<b>22</b> Weighted average retirement age .....				<b>22</b> 65
<b>23</b> Mortality table(s) (see instructions) <input checked="" type="checkbox"/> Prescribed - combined <input type="checkbox"/> Prescribed - separate <input type="checkbox"/> Substitute				

**Part VI Miscellaneous items**

<b>24</b> Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ....	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>25</b> Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ....	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>26</b> Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>27</b> If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.....	<b>27</b>

**Part VII Reconciliation of unpaid minimum required contributions for prior years**

<b>28</b> Unpaid minimum required contribution for all prior years .....	<b>28</b>	0
<b>29</b> Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a).....	<b>29</b>	0
<b>30</b> Remaining amount of unpaid minimum required contributions (item 28 minus item 29) .....	<b>30</b>	0

**Part VIII Minimum required contribution for current year**

<b>31</b> Target normal cost, adjusted, if applicable (see instructions).....	<b>31</b>	1213263
<b>32</b> Amortization installments:	Outstanding Balance	Installment
<b>a</b> Net shortfall amortization installment .....	4009399	677675
<b>b</b> Waiver amortization installment .....	0	0
<b>33</b> If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount .....	<b>33</b>	0
<b>34</b> Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b – item 33).....	<b>34</b>	1890938
	Carryover balance	Prefunding balance
<b>35</b> Balances used to offset funding requirement .....	0	0
<b>36</b> Additional cash requirement (item 34 minus item 35).....	<b>36</b>	1890938
<b>37</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	<b>37</b>	1890938
<b>38</b> Interest-adjusted excess contributions for current year (see instructions).....	<b>38</b>	0
<b>39</b> Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....	<b>39</b>	0
<b>40</b> Unpaid minimum required contribution for all years .....	<b>40</b>	

<b>SCHEDULE C</b> <b>(Form 5500)</b>  Department of the Treasury Internal Revenue Service  Department of Labor Employee Benefits Security Administration  Pension Benefit Guaranty Corporation	<b>Service Provider Information</b>  This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).  ▶ <b>File as an attachment to Form 5500.</b>	OMB No. 1210-0110
		<b>2009</b>
		<b>This Form is Open to Public Inspection.</b>
For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009		
<b>A</b> Name of plan HENRY MODELL & CO., INC. EMPLOYEES RETIREMENT PLAN	<b>B</b> Three-digit plan number (PN) ▶	001
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 MODELLS, INC.	<b>D</b> Employer Identification Number (EIN) 13-5518048	

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

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

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

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

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

**ECONOMIC GROUP PENSION SERVICES**

13-3180178

<b>(b)</b> Service Code(s)	<b>(c)</b> Relationship to employer, employee organization, or person known to be a party-in-interest	<b>(d)</b> Enter direct compensation paid by the plan. If none, enter -0-.	<b>(e)</b> Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	<b>(f)</b> Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	<b>(g)</b> Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	<b>(h)</b> Did the service provider give you a formula instead of an amount or estimated amount?
11	NONE	115731	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	0	Yes <input type="checkbox"/> No <input type="checkbox"/>

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

**FIRST MANHATTAN**

13-1957714

<b>(b)</b> Service Code(s)	<b>(c)</b> Relationship to employer, employee organization, or person known to be a party-in-interest	<b>(d)</b> Enter direct compensation paid by the plan. If none, enter -0-.	<b>(e)</b> Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	<b>(f)</b> Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	<b>(g)</b> Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	<b>(h)</b> Did the service provider give you a formula instead of an amount or estimated amount?
51	NONE	89519	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	0	Yes <input type="checkbox"/> No <input type="checkbox"/>

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

**NEUBERGER & BERMAN**

13-6354410

<b>(b)</b> Service Code(s)	<b>(c)</b> Relationship to employer, employee organization, or person known to be a party-in-interest	<b>(d)</b> Enter direct compensation paid by the plan. If none, enter -0-.	<b>(e)</b> Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	<b>(f)</b> Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	<b>(g)</b> Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	<b>(h)</b> Did the service provider give you a formula instead of an amount or estimated amount?
51	NONE	73386	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	0	Yes <input type="checkbox"/> No <input type="checkbox"/>



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

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

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

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

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

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

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

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

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

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

<b>SCHEDULE H</b> <b>(Form 5500)</b>  <small>Department of the Treasury Internal Revenue Service</small>  <small>Department of Labor Employee Benefits Security Administration</small>  <small>Pension Benefit Guaranty Corporation</small>	<b>Financial Information</b>  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).  <b>► File as an attachment to Form 5500.</b>	<small>OMB No. 1210-0110</small>  <b>2009</b>  <b>This Form is Open to Public Inspection</b>
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For calendar plan year 2009 or fiscal plan year beginning <u>01/01/2009</u> and ending <u>12/31/2009</u>		
<b>A</b> Name of plan <u>HENRY MODELL &amp; CO., INC. EMPLOYEES RETIREMENT PLAN</u>	<b>B</b> Three-digit plan number (PN) ►	<u>001</u>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <u>MODELLS, INC.</u>	<b>D</b> Employer Identification Number (EIN)  <u>13-5518048</u>	

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

Assets		(a) Beginning of Year	(b) End of Year
<b>a</b> Total noninterest-bearing cash .....	<b>1a</b>		
<b>b</b> Receivables (less allowance for doubtful accounts):			
<b>(1)</b> Employer contributions .....	<b>1b(1)</b>		2105518
<b>(2)</b> Participant contributions .....	<b>1b(2)</b>		
<b>(3)</b> Other.....	<b>1b(3)</b>		
<b>c</b> General investments:			
<b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit) .....	<b>1c(1)</b>	881936	1600593
<b>(2)</b> U.S. Government securities.....	<b>1c(2)</b>	1549868	
<b>(3)</b> Corporate debt instruments (other than employer securities):			
<b>(A)</b> Preferred .....	<b>1c(3)(A)</b>		
<b>(B)</b> All other.....	<b>1c(3)(B)</b>		
<b>(4)</b> Corporate stocks (other than employer securities):			
<b>(A)</b> Preferred .....	<b>1c(4)(A)</b>		
<b>(B)</b> Common .....	<b>1c(4)(B)</b>	10064906	13625639
<b>(5)</b> Partnership/joint venture interests .....	<b>1c(5)</b>		
<b>(6)</b> Real estate (other than employer real property) .....	<b>1c(6)</b>		
<b>(7)</b> Loans (other than to participants) .....	<b>1c(7)</b>		
<b>(8)</b> Participant loans .....	<b>1c(8)</b>		
<b>(9)</b> Value of interest in common/collective trusts.....	<b>1c(9)</b>		
<b>(10)</b> Value of interest in pooled separate accounts.....	<b>1c(10)</b>		
<b>(11)</b> Value of interest in master trust investment accounts .....	<b>1c(11)</b>		
<b>(12)</b> Value of interest in 103-12 investment entities .....	<b>1c(12)</b>		
<b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds).....	<b>1c(13)</b>		
<b>(14)</b> Value of funds held in insurance company general account (unallocated contracts).....	<b>1c(14)</b>		
<b>(15)</b> Other .....	<b>1c(15)</b>		

**1d** Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities .....	<b>1d(1)</b>		
(2) Employer real property .....	<b>1d(2)</b>		
<b>e</b> Buildings and other property used in plan operation .....	<b>1e</b>		
<b>f</b> Total assets (add all amounts in lines 1a through 1e) .....	<b>1f</b>	12496710	17331750

**Liabilities**

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

**Net Assets**

<b>l</b> Net assets (subtract line 1k from line 1f) .....	<b>1l</b>	12496710	17331750
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**Part II Income and Expense Statement**

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

**Income****a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: <b>(A)</b> Employers .....	<b>2a(1)(A)</b>	2105518	
<b>(B)</b> Participants .....	<b>2a(1)(B)</b>		
<b>(C)</b> Others (including rollovers) .....	<b>2a(1)(C)</b>		
(2) Noncash contributions .....	<b>2a(2)</b>		
(3) Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> .....	<b>2a(3)</b>		2105518

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

<b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit) .....	<b>2b(1)(A)</b>	647	
<b>(B)</b> U.S. Government securities .....	<b>2b(1)(B)</b>		
<b>(C)</b> Corporate debt instruments .....	<b>2b(1)(C)</b>		
<b>(D)</b> Loans (other than to participants) .....	<b>2b(1)(D)</b>		
<b>(E)</b> Participant loans .....	<b>2b(1)(E)</b>		
<b>(F)</b> Other .....	<b>2b(1)(F)</b>		
<b>(G)</b> Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....	<b>2b(1)(G)</b>		647

(2) Dividends: <b>(A)</b> Preferred stock .....	<b>2b(2)(A)</b>		
<b>(B)</b> Common stock .....	<b>2b(2)(B)</b>	131737	
<b>(C)</b> Registered investment company shares (e.g. mutual funds) .....	<b>2b(2)(C)</b>		
<b>(D)</b> Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> .....	<b>2b(2)(D)</b>		131737

(3) Rents .....	<b>2b(3)</b>		
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(4) Net gain (loss) on sale of assets: <b>(A)</b> Aggregate proceeds .....	<b>2b(4)(A)</b>	-258555	
<b>(B)</b> Aggregate carrying amount (see instructions) .....	<b>2b(4)(B)</b>		
<b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result .....	<b>2b(4)(C)</b>		-258555

		(a) Amount	(b) Total
<b>2b</b> (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	<b>2b(5)(A)</b>		
(B) Other .....	<b>2b(5)(B)</b>	3588869	
(C) Total unrealized appreciation of assets. Add lines <b>2b(5)(A)</b> and <b>(B)</b> .....	<b>2b(5)(C)</b>		3588869
(6) Net investment gain (loss) from common/collective trusts .....	<b>2b(6)</b>		
(7) Net investment gain (loss) from pooled separate accounts .....	<b>2b(7)</b>		
(8) Net investment gain (loss) from master trust investment accounts .....	<b>2b(8)</b>		
(9) Net investment gain (loss) from 103-12 investment entities .....	<b>2b(9)</b>		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	<b>2b(10)</b>		
<b>c</b> Other income.....	<b>2c</b>		
<b>d</b> Total income. Add all <b>income</b> amounts in column (b) and enter total.....	<b>2d</b>		5568216

**Expenses**

<b>e</b> Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers .....	<b>2e(1)</b>	373315	
(2) To insurance carriers for the provision of benefits .....	<b>2e(2)</b>		
(3) Other .....	<b>2e(3)</b>		
(4) Total benefit payments. Add lines <b>2e(1)</b> through <b>(3)</b> .....	<b>2e(4)</b>		373315
<b>f</b> Corrective distributions (see instructions) .....	<b>2f</b>		
<b>g</b> Certain deemed distributions of participant loans (see instructions).....	<b>2g</b>		
<b>h</b> Interest expense.....	<b>2h</b>		
<b>i</b> Administrative expenses: (1) Professional fees .....	<b>2i(1)</b>	196957	
(2) Contract administrator fees .....	<b>2i(2)</b>		
(3) Investment advisory and management fees .....	<b>2i(3)</b>	162904	
(4) Other .....	<b>2i(4)</b>		
(5) Total administrative expenses. Add lines <b>2i(1)</b> through <b>(4)</b> .....	<b>2i(5)</b>		359861
<b>j</b> Total expenses. Add all <b>expense</b> amounts in column (b) and enter total.....	<b>2j</b>		733176

**Net Income and Reconciliation**

<b>k</b> Net income (loss). Subtract line <b>2j</b> from line <b>2d</b> .....	<b>2k</b>		4835040
<b>l</b> Transfers of assets:			
(1) To this plan.....	<b>2l(1)</b>		
(2) From this plan .....	<b>2l(2)</b>		

**Part III Accountant's Opinion**

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

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

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

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

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

(1) Name: JANOVER LLC

(2) EIN: 11-3258497

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

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

**Part IV Compliance Questions**

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

During the plan year:

	Yes	No	Amount
<b>a</b> Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
<b>b</b> Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
<b>c</b> Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) .....		X	
<b>d</b> Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
<b>e</b> Was this plan covered by a fidelity bond?.....	X		3000000
<b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? .....		X	
<b>g</b> Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? .....		X	
<b>h</b> Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? .....		X	
<b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
<b>j</b> Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
<b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
<b>l</b> Has the plan failed to provide any benefit when due under the plan? .....		X	
<b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....			
<b>n</b> If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. ....			

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

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

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



<b>SCHEDULE R</b> <b>(Form 5500)</b>  Department of the Treasury Internal Revenue Service  Department of Labor Employee Benefits Security Administration  Pension Benefit Guaranty Corporation	<b>Retirement Plan Information</b>  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).  ▶ <b>File as an attachment to Form 5500.</b>	OMB No. 1210-0110  <b>2009</b>  <b>This Form is Open to Public Inspection.</b>
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For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

<b>A</b> Name of plan <u>HENRY MODELL &amp; CO., INC. EMPLOYEES RETIREMENT PLAN</u>	<b>B</b> Three-digit plan number (PN) ▶ <u>001</u>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <u>MODELLS, INC.</u>	<b>D</b> Employer Identification Number (EIN) <u>13-5518048</u>

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

<b>1</b> Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	<b>1</b>	<u>0</u>
<b>2</b> Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):  EIN(s): <u>13-5518048</u>		
<b>Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.</b>		
<b>3</b> Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	<b>3</b>	<u>0</u>

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

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

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

Schedule R (Form 5500) 2009  
v.092308.1

**Part V Additional Information for Multiemployer Defined Benefit Pension Plans**

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

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

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

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

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

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

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

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

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

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

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

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

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

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

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

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

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

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

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

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

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

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

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

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

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

Stock: 81.0% Investment-Grade Debt: 12.0% High-Yield Debt: \_\_\_\_\_% Real Estate: \_\_\_\_\_% Other: 7.0%

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

**HENRY MODELL & COMPANY, INC.  
EMPLOYEES' RETIREMENT PLAN**

**Financial Statements**

**December 31, 2009**

# **HENRY MODELL & COMPANY, INC. EMPLOYEES' RETIREMENT PLAN**

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**Independent Auditors' Report** dated October 12, 2010

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### **Independent Auditors' Report**

To the Trustees and Participants of  
Henry Modell & Company, Inc.  
Employees' Retirement Plan:

We have audited the accompanying statements of net assets available for benefits and accumulated plan benefits of Henry Modell & Company, Inc. Employees' Retirement Plan as of December 31, 2009 and 2008, and the related statement of changes in net assets available for benefits and of changes in accumulated plan 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 audit 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 financial status of the Plan as of December 31, 2009 and 2008, and the changes in its financial status for the year ended December 31, 2009 in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules of assets held for investment purposes, assets acquired and disposed of within year, and reportable transactions as of December 31, 2009 are presented for purposes of complying with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are not a required part of the basic financial statements. The supplemental schedules are the responsibility of the Plan's management. The supplemental schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Janover LLC*  
October 12, 2010

LONG ISLAND 100 Quentin Roosevelt Blvd., Suite 516, Garden City, New York 11530 • Tel: 516.542.6300 Fax: 516.542.9021

NEW YORK CITY 805 Third Avenue, 10th Floor, New York, New York • Tel: 212.792.6300 Fax: 212.792.6350

JANOVER LLC • A LIMITED LIABILITY COMPANY

# **HENRY MODELL & COMPANY, INC.** **EMPLOYEES' RETIREMENT PLAN**

## **Statements of Net Assets Available for Benefits**

<i>December 31,</i>	<i>2009</i>	<i>2008</i>
<b>Assets</b>		
Investments (at fair value):		
Cash and cash equivalents	\$ 1,600,593	\$ 881,936
U.S. Government Obligations	-	1,549,868
Corporate securities	13,625,639	10,064,906
Total investments (at fair value)	<u>15,226,232</u>	<u>12,496,710</u>
Receivables:		
Employer contributions	<u>2,105,518</u>	<u>-</u>
Total assets	<u>17,331,750</u>	<u>12,496,710</u>
<b>Net assets available for benefits</b>	<u><u>\$ 17,331,750</u></u>	<u><u>\$ 12,496,710</u></u>

*The accompanying notes are an integral part of the financial statements.*

# **HENRY MODELL & COMPANY, INC.**

## **EMPLOYEES' RETIREMENT PLAN**

### **Statement of Changes in Net Assets Available for Benefits**

*For the Year Ending December 31, 2009*

---

#### **Additions:**

Investment income (loss):

Interest and dividend income

\$ 132,384

Net appreciation in fair value of investments

3,588,869

Contributions:

Employer

2,105,518

Total additions

5,826,771

#### **Deductions:**

Realized loss on sale of investments

258,555

Benefits paid to participants

373,315

Administrative expenses

196,957

Investment expenses

162,904

Total deductions

991,731

**Net increase**

4,835,040

**Net assets available for plan benefits - beginning of year**

12,496,710

**Net assets available for plan benefits - end of year**

\$ 17,331,750



# **HENRY MODELL & COMPANY, INC.** **EMPLOYEES' RETIREMENT PLAN**

## **Statement of Accumulated Plan Benefits**

<i>For the Year Ending December 31,</i>	<i>2009</i>	<i>2008</i>
<b>Actuarial present value of accumulated plan benefits</b>		
Vested benefits:		
Participants currently receiving payments	\$ 2,796,283	\$ 2,204,643
Other participants	<u>11,912,597</u>	<u>10,858,159</u>
	14,708,880	13,062,802
Non-vested benefits	<u>370,965</u>	<u>384,909</u>
<b>Total actuarial present value of accumulated plan benefits</b>	<u><u>\$ 15,079,845</u></u>	<u><u>\$ 13,447,711</u></u>

*The accompanying notes are an integral part of the financial statements.*

# **HENRY MODELL & COMPANY, INC.**

## **EMPLOYEES' RETIREMENT PLAN**

### **Statement of Changes in Accumulated Plan Benefits**

*For the Year Ending December 31, 2009*

---

<b>Actuarial present value of accumulated plan benefits - beginning of year</b>	<b>\$ 13,447,711</b>
Increase during year attributable to:	
Plan amendments	-
Changes in actuarial assumptions	-
Other, including benefits accumulated, interest adjustment due to decrease in discount period and benefits paid	<u>1,632,134</u>
<b>Actuarial present value of accumulated plan benefits - end of year</b>	<b><u><u>\$ 15,079,845</u></u></b>

# HENRY MODELL & COMPANY, INC.

## EMPLOYEES' RETIREMENT PLAN

### Notes to Financial Statements

---

December 31, 2009

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#### 1. Description of Plan

The following brief description of the Henry Modell & Company, Inc. Employees' Retirement Plan (the "Plan") is provided for general purposes only. Participants should refer to the Plan Agreement for more complete information.

**General** - The Plan is a non-contributory defined benefit plan covering certain union employees (effective April 1, 1997) and all non-union employees who meet eligibility. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan also complies with all subsequent tax reform acts.

**Eligibility** - Employees are eligible to participate when they reach ages 21 and have completed six months of employment (at least 1,000 hours of service) in the employ of the Henry Modell & Company, Inc., (the "Company"). The union members were eligible to enter effective April 1, 1997.

**Funding** - The Plan is funded by calculating the value of future plan benefits and a level rate of contribution is determined. The rate of contribution is designed to spread the cost of plan benefits over future employment and is expressed as a percentage of payroll. Subsequent to year end, the Company made a contribution to the Plan for the year ended December 31, 2009. The assumed rate of return used in determining actuarial present value was 8%. There was no change from the prior year in actuarial assumption. There was no calculation for pre-retirement mortality table. The 1970 Group Annuity Mortality Table was used to calculate past retirement mortality.

**Pension benefits** - Upon attainment of normal retirement, age 65 with five years of participation, each participant will be entitled to a monthly benefit based on a percentage of compensation times years of credited service up to a maximum of 30. The union employees will be paid \$156 multiplied by years of service at retirement or termination up to a maximum of 40 years, plus any benefits payable under a Collective Bargaining Agreement. The Plan provides for early retirement at age 60 and five years of service.

**Vesting** - Participants must be in the Plan for five years and are then 100% vested.

**Death benefit** - If an active participant dies prior to their normal retirement age, their beneficiary receives the present value of the decedent's accrued benefit.

# HENRY MODELL & COMPANY, INC.

## EMPLOYEES' RETIREMENT PLAN

### Notes to Financial Statements

---

December 31, 2009

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#### 1. Description of Plan *(continued)*

**Termination** - The Company can terminate the Plan at any time. Upon termination of the Plan, its assets will be allocated first, to provide pension benefits to retired participants who retired prior to the Plan termination; second, to provide pension benefits to participants who have reached their normal retirement dates but who have not retired on the date of termination; third, to provide pension benefits to participants who have not reached their normal retirement dates at such time, based on their accrued benefits on the date of termination. Upon termination, the Plan's benefits are insured by the Pension Benefit Guaranty Corporation (PBGC).

**Administrative expenses** - Administrative expenses are paid by the Plan. Plan expenses paid for the year ended December 31, 2009 were \$196,957.

#### 2. Summary of Significant Accounting Policies

**Basis of presentation** - The financial statements of the Plan have been prepared in accordance with accounting principles generally accepted in the United States of America. The financial statements of the Plan are prepared under the accrual method of accounting except in participant benefit payments, which are recorded when paid. The Plan presents in the statements of changes in net assets available for benefits, the net appreciation (depreciation) in the fair value of its investments which consist of realized gains or losses and the unrealized appreciation (depreciation) of those investments.

**Investment valuation and recognition** - The Plan's investments are stated at fair value as measured by quoted market prices. Purchases and sales of securities are recorded on a trade-date basis. Dividends and interest are recorded when received. Gains or losses on investment sales are determined on the basis of actual cost.

**Use of estimates** - The preparation of financial statements in conformity with generally accepted accounting principles generally accepted in the United States of America requires management to make significant estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities, at the date of the financial statements and the reported amounts of additions and deductions during the reporting period.

**Party-in-interest transactions** - Certain trustees of the Plan are also shareholders of the Employer.

# HENRY MODELL & COMPANY, INC.

## EMPLOYEES' RETIREMENT PLAN

### Notes to Financial Statements

December 31, 2009

#### 3. Risks and Uncertainties

The Plan provides for various investment options which invest in different investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least possible that changes in risks in the near term could materially affect participants' account balances and the amounts reported in the Statements of Net Assets Available for Benefits and the Statement of Changes in Net Assets Available for Benefits.

The Plan maintains accounts with several stock brokerage firms, some of which are in excess of the insured limits. The accounts contain cash and securities. Balances are insured up to \$500,000 (with a limit of \$100,000 for cash) by the Securities Investor Protection Corporation.

#### 4. Investments in Securities

Set forth below are the major categories of investments in securities at December 31, 2009 and 2008:

	2009	2008
Cash and cash equivalents	\$ 1,600,593	\$ 881,936
U.S. Government Obligations	-	1,549,868
Corporate securities at fair value	13,625,639	10,064,906
Total at fair value	<u>\$ 15,226,232</u>	<u>\$ 12,496,710</u>
Total at cost	<u>\$ 8,770,290</u>	<u>\$ 10,328,234</u>

The following securities individually are in excess of 5% of net assets available for benefits:

	2009	2008
U.S. Government Obligations	\$ -	\$ 1,549,868
Berkshire Hathaway, Inc.	1,488,000	1,449,000
Leucadia National Corp.	1,213,290	1,009,800
Loews Corp.	865,130	672,350
Onex Corp.	797,654	-

# HENRY MODELL & COMPANY, INC.

## EMPLOYEES' RETIREMENT PLAN

### Notes to Financial Statements

December 31, 2009

#### 5. Tax Status

The Internal Revenue Service has determined and informed the Company by letter dated March 16, 2004, that the Plan is designated in accordance with applicable sections of the Internal Revenue Code.

#### 6. Fair Value Measurements

The FASB Accounting Standards Codification No. 820 ("ASC 820"), *Fair value measurement and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three levels of the fair value hierarchy under FASB Statement No. 157 are described as follows:

Level 1	Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.
Level 2	Inputs to the valuation methodology include: <ul style="list-style-type: none"><li>• Quoted prices for similar assets or liabilities in active markets.</li><li>• Quoted prices for identical or similar assets or liabilities in inactive markets.</li><li>• Inputs other than quoted prices that are observable for the asset or liability.</li><li>• Inputs that are derived principally from or corroborated by observable marked data by correlation or other means.</li></ul>
Level 3	Inputs to the valuation methodology are unobservable.

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

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

# **HENRY MODELL & COMPANY, INC.** **EMPLOYEES' RETIREMENT PLAN**

## **Notes to Financial Statements**

*December 31, 2009*

### **6. Fair Value Measurements** *(continued)*

Corporate securities and United States Government Obligations: Valued at the closing price reported on the active market on which the individual securities are traded.

Cash and cash equivalents: Value at end of the year.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the plan's assets at fair value as of December 31, 2009:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash and cash equivalents	\$ 1,600,593	\$ -	\$ -	\$ 1,600,593
U.S. government obligations	-	-	-	-
Corporate securities	13,625,639	-	-	13,625,639
Total investments at fair value	<u>\$ 15,226,232</u>	<u>\$ -</u>	<u>\$ -</u>	<u>15,226,232</u>

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2008:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash and cash equivalents	\$ 881,936	\$ -	\$ -	\$ 881,936
U.S. government obligations	1,549,868	-	-	1,549,868
Corporate securities	10,064,906	-	-	10,064,906
Total investments at fair value	<u>\$ 12,496,710</u>	<u>\$ -</u>	<u>\$ -</u>	<u>12,496,710</u>

# HENRY MODELL & COMPANY, INC. EMPLOYEES' RETIREMENT PLAN

## Notes to Financial Statements

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December 31, 2009

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### 7. New Accounting Pronouncements

In September 2010, the FASB issued Accounting Standards Update No. 2010-25, Plan Accounting "*Reporting Loans to Participants by Defined Contributions Pension Plans*" which will update Defined Contribution Pension Plans (ASC 962), and will require that participant loans be classified as notes receivable from participants, and segregated from plan investments and measured at their unpaid principle balance plus any accrued but unpaid interest. This will be effective for fiscal years ending after December 15, 2010.

### 8. Subsequent Events

Management has evaluated events and transactions occurring after the balance sheet date and through the date of the auditors' report contained herein to determine whether any of these events or transactions were required to be recognized or disclosed in the financial statements. Management used the date that the financial statements were available to be issued which is the date that management approved the financial statements for issuance.



**HENRY MODELL & COMPANY, INC.  
EMPLOYEES' RETIREMENT PLAN**

**Supplemental Statements**

**December 31, 2009**

# **HENRY MODELL & COMPANY, INC.** **EMPLOYEES' RETIREMENT PLAN**

## **Schedule H, line 4i-Schedule of Assets (Held at End of Year)**

December 31, 2009

EIN #13-5518048

Plan #001

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment	Cost	Current Value
	Capital Southwest Corp.	Mutual Fund	\$ 128,870	\$ 283,680
	Dime Bancorp Inc New	Warrant	-	1,764
	Allstate Corp.	Common Stock	144,936	135,721
	Abbott Laboratories	Common Stock	145,826	186,266
	Activision Blizzard Inc.	Common Stock	38,310	144,430
	American Express Company	Common Stock	664,527	526,760
	Anadarko Petroleum Corp.	Common Stock	124,707	312,100
	Bank of America	Common Stock	141,559	144,862
	Berkshire Hathaway, Inc.	Common Stock	141,640	1,488,000
	Capital One Financial Corp.	Common Stock	397,333	325,890
	Comcast Corporation	Common Stock	202,052	224,140
	Corn Products Int'l, Inc.	Common Stock	135,446	292,300
	Covanta Holding Corporation	Common Stock	177,495	208,035
	Enesco International Ltd.	Common Stock	205,876	179,730
	Homefed Corp.	Common Stock	2,411	32,977
	International Business Machines Corp.	Common Stock	262,406	373,065
	Kroger Co.	Common Stock	159,269	160,134
	Leucadia National Corp.	Common Stock	52,010	1,213,290
	Loews Corp.	Common Stock	494,368	865,130
	Lubrizol Corp.	Common Stock	177,079	437,700
	Mediacom Comm. Corp.	Common Stock	197,319	129,630
	Mineral Technologies Inc.	Common Stock	331,908	457,548
	MODEC Inc.	Common Stock	422,583	239,003
	News Corporation	Common Stock	245,422	216,767
	Occidental Petroleum Corp.	Common Stock	184,019	288,793
	Onex Corp.	Common Stock	232,656	797,654
	Oracle Corp.	Common Stock	240,037	299,266
	Pfizer, Inc.	Common Stock	268,727	591,029
	Pioneer Natural Resources Co.	Common Stock	155,694	236,033
	Pride International Inc.	Common Stock	304,971	232,943
	Reinsurance Group of America Incorporated	Common Stock	196,480	247,780
	RHJ International SA	Common Stock	372,093	153,214
	Seadrill Ltd	Common Stock	161,609	262,603
	Symantic Corp.	Common Stock	181,367	207,524
	Telephone & Data Systems Inc.	Common Stock	222,172	387,368
	Texas Industries Inc.	Common Stock	56,686	165,923
	Travelers Corp.	Common Stock	160,737	186,975
	Viacom Inc.	Common Stock	84,978	163,515
	Vornado Realty	Common Stock	395,893	333,404
	Whiting Petroleum Corporation	Common Stock	165,279	278,655
	Xerox Corp.	Common Stock	393,540	214,038
	Total investments		<u>\$ 8,770,290</u>	<u>\$ 13,625,639</u>

The accompanying notes are an integral part of the financial statements.

# **HENRY MODELL & COMPANY, INC.** **EMPLOYEES' RETIREMENT PLAN**

## **Schedule H, line 4i-Schedule of Assets (Acquired and Disposed of Within Year)**

*For the Year ended December 31, 2009*

**EIN #13-5518048**

**Plan #001**

(a)	(b)	(c)	(d)	(e)
Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment	Costs of Acquisitions	Proceeds of Dispositions	
United States Treasury Bills	U.S. Government Obligations	\$ 899,316	\$ 900,000	
Cardinal Health, Inc.	Common Stock	84,927	120,863	
Carefusion Corp	Common Stock	32,566	43,722	
Seahawk Drilling, Inc.	Common Stock	19,963	14,121	
Teekay Corporation	Common Stock	114,515	162,797	
Unilever N.V.	Common Stock	76,313	119,682	

**HENRY MODELL & COMPANY, INC.  
EMPLOYEES' RETIREMENT PLAN**

**Schedule of Reportable Transaction  
As Per Schedule H Line 4j of Form 5500**

*December 31, 2009*

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**EIN #13-5518048  
Plan #001**

There were no reportable transactions during the year ended December 31, 2009.

Schedule SB, Line 22 – Description of Weighted Average Retirement Age

HENRY MODELL & CO., INC. EMPLOYEES' RETIREMENT PLAN  
PLAN #001  
EIN# 13-5518048

ALL PARTICIPANTS IN THE VALUATION ARE EXPECTED TO RETIRE AT AGE 65;  
THEREFORE THE WEIGHTED AVERAGE RETIREMENT AGE IS AGE 65.

2009 Schedule SB, line 19 - Discounted Employer Contributions

1,890,938

MOD093

Schedule SB, line 32 - Schedule of Amortization Bases  
HENRY MODELL & COMPANY, INC.  
EMPLOYEES' RETIREMENT PLAN  
13-5518048/001  
FOR THE PLAN YEAR 01/01/2009 THROUGH 12/31/2009

Type of Base	Present Value of Remaining Instalments	Date Base Established	Years Remaining Amortization Period	Amortization Installment
Shortfall	4,009,399	01/01/09	7	677,675

Schedule SB, part V ~ Summary of Plan Provisions  
 HENRY MODELL & COMPANY, INC.  
 EMPLOYEES' RETIREMENT PLAN  
 13-5518048/001  
 FOR THE PLAN YEAR 01/01/2009 THROUGH 12/31/2009

TYPE OF ENTITY      Corporation.

DATES                Effective-01/01/1973    Valuation-01/01/2009    Eligibility-01/01/2009    Year-end-12/31/2009

ELIGIBILITY

NON-UNION           Minimum age- 21    Months of service- 6    Maximum age- None  
                          Age at last birthday.    Other ages at nearest birthday.  
                          Entry Age For Full Funding Limitation Calculation - as of date of hire.

                         HOURS REQUIRED FOR  
                          Eligibility - 1000                    Benefit accrual - 1000                    Vesting - 1000

                         PLAN ENTRY - January 1 of the year of satisfaction of eligibility requirements.

UNION                Minimum age- None    Months of service- 12    Maximum age- None  
                          Age at last birthday.    Other ages at nearest birthday.  
                          Entry Age For Full Funding Limitation Calculation - as of date of hire.

                         HOURS REQUIRED FOR  
                          Eligibility - 1000                    Benefit accrual - 1000                    Vesting - 1000

                         PLAN ENTRY - The first day of the month coincident with or following satisfaction of  
                          eligibility requirements.

                         New participants are included in current year's valuation.

RETIREMENT           NORMAL - First of month coincident with or following attainment of age 65, and  
                          completion of 5 years of participation.

                         EARLY - Upon attainment of age 60, and completion of 5 years of service.  
                          (100% Vested upon satisfaction of early retirement provisions).

AVERAGE COMPENSATION -- (retrospective salaries)

                         FUNDING - 5 Highest consecutive years.  
                          ACCRUED BENEFIT - 5 Highest consecutive years.

PLAN BENEFITS

NON-UNION

RETIREMENT--        0.800% of average monthly compensation plus 0.750% in excess of 2009 covered  
                          compensation table 1 (\$106,800) multiplied by total years of service limited to 30  
                          years.

                         Maximum spread/offset limited to .75% (as adjusted from social security retirement  
                          age to normal retirement age, for normal form of payment, and for integration level  
                          option, if applicable) times years service/participation not to exceed 35 years.

                         Covered compensation averaged to social security retirement age.

UNION

RETIREMENT--        \$12.00 multiplied by years of past service plus \$13.00 multiplied by years of future  
                          service. Past and future service calculated as of 02/01/2008 limited to 40 years.  
                          Service prior to 04/01/1997 is excluded.



Schedule SB, part V - Summary of Plan Provisions  
 HENRY MODELL & COMPANY, INC.  
 EMPLOYEES' RETIREMENT PLAN  
 13-5518048/001  
 FOR THE PLAN YEAR 01/01/2009 THROUGH 12/31/2009

415 Limits - Percent 100.00 Dollar - \$16,250

Minimum benefit - None Maximum benefit - None

Maximum 401(a)(17) compensation \$245,000

NORMAL FORM Life Annuity.

DEATH BENEFIT None.

ACCRUED BENEFIT

NON-UNION Pro-rata based on service (calculated as of beginning of plan year).

UNION \$12.00 multiplied by years of past service plus \$13.00 multiplied by years of future service. Past and future service calculated as of 02/01/2008 limited to 40 years. Service prior to 04/01/1997 is excluded.

TERMINATION  
BENEFITS

100% vested in year 5, 0% vested in prior years.  
 Service is calculated using all years of service.

CONTRIBUTIONS

EMPLOYEE REQUIRED -- None

EMPLOYEE VOLUNTARY -- None

ASSET VALUATION  
METHOD

Market value.

**SCHEDULE SB  
(Form 5500)**Department of the Treasury  
Internal Revenue ServiceDepartment of Labor  
Employee Benefits Security Administration  
Pension Benefit Guaranty Corporation**Single-Employer Defined Benefit Plan  
Actuarial Information**This schedule is required to be filed under section 104 of the Employee  
Retirement Income Security Act of 1974 (ERISA) and section 6059 of the  
Internal Revenue Code (the Code).► **File as an attachment to Form 5500 or 5500-SF.**

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

► **Round off amounts to nearest dollar.**► **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.**A** Name of plan

HENRY MODELL &amp; CO., INC. EMPLOYEES' RETIREMENT PLAN

**B** Three-digit  
plan number (PN) ►

001

**C** Plan sponsor's name as shown on line 2a of Form 5500 or 5500-EZ

MODELLS, INC.

**D** Employer Identification Number (EIN)

13-5518048

**E** Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B ☐ **F** Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500**Part I Basic Information****1** Enter the valuation date: Month 01 Day 01 Year 2009**2** Assets:**a** Market value **2a** 12,496,711**b** Actuarial value **2b** 12,496,711**3** Funding target/participant count breakdown**a** For retired participants and beneficiaries receiving payment **3a** 56 (1) Number of participants (2) Funding Target 2,233,403**b** For terminated vested participants **3b** 544 5,483,406**c** For active participants:(1) Non-vested benefits **3c(1)** 452,225(2) Vested benefits **3c(2)** 9,390,657(3) Total active **3c(3)** 745 9,842,882**d** Total **3d** 1345 17,559,691**4** If the plan is at-risk, check the box and complete lines a and b ☐**a** Funding target disregarding prescribed at-risk assumptions **4a****b** Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been  
at-risk for fewer than five consecutive years and disregarding loading factor **4b****5** Effective interest rate **5** 6.50**6** Target normal cost **6** 1,213,263**Statement by Enrolled Actuary**To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in  
accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in  
combination, offer my best estimate of anticipated experience under the plan.**SIGN  
HERE***Yakov Ziskind*

Signature of actuary

NACHMAN YAAKOV ZISKIND, EA, JD

Type or print name of actuary

ECONOMIC GROUP PENSION SERVICES

Firm name

333 SEVENTH AVENUE

US NEW YORK

NY 10001

Address of the firm

10/06/2010

Date

08-05856

Most recent enrollment number

(212) 494-9063

Telephone number (including area code)

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see  
instructions ☐

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

Schedule SB (Form 5500) 2009  
v.092308.1

**Part II Beginning of year carryover and prefunding balances**

	(a) Carryover balance	(b) Prefunding balance
<b>7</b> Balance at beginning of prior year after applicable adjustments (item 13 from prior year) . . . . .	0	0
<b>8</b> Portion used to offset prior year's funding requirement (item 35 from prior year)	0	0
<b>9</b> Amount remaining (item 7 minus item 8) . . . . .	0	0
<b>10</b> Interest on item 9 using prior year's actual return of _____ % . . . . .	0	0
<b>11</b> Prior year's excess contributions to be added to prefunding balance:		
<b>a</b> Excess contributions (item 38 from prior year) . . . . .		0
<b>b</b> Interest on (a) using prior year's effective rate of _____ % . . . . .		0
<b>c</b> Total available at beginning of current plan year to add to prefunding balance . . .		0
<b>d</b> Portion of item (c) to be added to prefunding balance . . . . .		0
<b>12</b> Reduction in balances due to elections or deemed elections . . . . .	0	0
<b>13</b> Balance at beginning of current year (item 9 + item 10 + item 11d - item 12). . . . .	0	0

**Part III Funding percentages**

<b>14</b> Funding target attainment percentage . . . . .	<b>14</b>	71.17 %
<b>15</b> Adjusted funding target attainment percentage . . . . .	<b>15</b>	71.17 %
<b>16</b> Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement . . . . .	<b>16</b>	136.14 %
<b>17</b> If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage . . . . .	<b>17</b>	%

**Part IV Contributions and liquidity shortfalls****18** Contributions made to the plan for the the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
09/15/2010	2,105,518				
<b>Totals ▶ 18(b)</b>				2,105,518	<b>18(c)</b>

**19** Discounted employer contributions -- see instructions for small plan with a valuation date after the beginning of the year:

<b>a</b> Contributions allocated toward unpaid minimum required contribution from prior years . . . . .	<b>19a</b>	0
<b>b</b> Contributions made to avoid restrictions adjusted to valuation date . . . . .	<b>19b</b>	0
<b>c</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date . . . . .	<b>19c</b>	1,890,938

**20** Quarterly contributions and liquidity shortfall(s):

<b>a</b> Did the plan have a "funding shortfall" for the prior year? . . . . .	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>b</b> If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>c</b> If 20a is "Yes," see instructions and complete the following table as applicable:	

Liquidity shortfall as of end of Quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

**Part V Assumptions used to determine funding target and target normal cost**

<b>21</b> Discount rate:			
<b>a</b> Segment rates:			
1st segment 5.64 %	2nd segment 6.40 %	3rd segment 6.56 %	<input type="checkbox"/> N/A, full yield curve used
<b>b</b> Applicable month (enter code) . . . . .			<b>21b</b> 0
<b>22</b> Weighted average retirement age . . . . .			<b>22</b> 65
<b>23</b> Mortality table(s) (see instructions) <input checked="" type="checkbox"/> Prescribed -- combined <input type="checkbox"/> Prescribed -- separate <input type="checkbox"/> Substitute			

**Part VI Miscellaneous items**

<b>24</b> Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment . . . . .		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>25</b> Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment . . . . .		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>26</b> Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
<b>27</b> If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment . . . . .		<b>27</b>

**Part VII Reconciliation of unpaid minimum required contributions for prior years**

<b>28</b> Unpaid minimum required contribution for all prior years . . . . .	<b>28</b>	0
<b>29</b> Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a) . . . . .	<b>29</b>	0
<b>30</b> Remaining amount of unpaid minimum required contributions (item 28 minus item 29) . . . . .	<b>30</b>	0

**Part VIII Minimum required contribution for current year**

<b>31</b> Target normal cost, adjusted, if applicable (see instructions) . . . . .	<b>31</b>	1,213,263
<b>32</b> Amortization installments:		
<b>a</b> Net shortfall amortization installment . . . . .	Outstanding Balance 4,009,399	Installment 677,675
<b>b</b> Waiver amortization installment . . . . .	0	0
<b>33</b> If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount . . . . .		
<b>34</b> Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b - item 33) . . . . .		<b>34</b> 1,890,938
<b>35</b> Balances used to offset funding requirement	Carryover balance 0	Prefunding Balance 0
		Total balance 0
<b>36</b> Additional cash requirement (item 34 minus item 35) . . . . .	<b>36</b>	1,890,938
<b>37</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date (item 19c) . . . . .	<b>37</b>	1,890,938
<b>38</b> Interest-adjusted excess contributions for current year (see instructions) . . . . .	<b>38</b>	0
<b>39</b> Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37) . . . . .	<b>39</b>	
<b>40</b> Unpaid minimum required contribution for all years . . . . .	<b>40</b>	

MOD093

Schedule SB, part V - Statement of Actuarial Assumptions/Methods  
HENRY MODELL & COMPANY, INC.  
EMPLOYEES' RETIREMENT PLAN  
13-5518048/001  
FOR THE PLAN YEAR 01/01/2009 THROUGH 12/31/2009

FUNDING METHOD           As prescribed in IRC Section 430.

INTEREST RATES           Years 0-5           Segment rate 1   5.640%  
                          Years 6-20           Segment rate 2   6.400%  
                          Years over 20       Segment rate 3   6.560%

PRE-RETIREMENT           MORTALITY TABLE --   None.  
                          TURNOVER/DISABILITY-- TURNOVER TABLE 5.  
                          SALARY SCALE --       3.500  
                          INTEGRATION LVL INCR- None  
                          BACKWARD SALARY PROJ. Based on increase of average earnings

POST-RETIREMENT           MORTALITY TABLE --   2009 Funding Target - Combined - IRC 430(h)(3)(A).  
                          EXPENSE LOAD --       None  
                          COST OF LIVING       None

417(e)

PRESENT VALUE OF ACCRUED BENEFIT CALCULATIONS - Greater of 417(e) or Actuarial Equivalence

INTEREST RATES           Years 0-5           Segment rate 1   4.410%  
                          Years 6-20           Segment rate 2   4.570%  
                          Years over 20       Segment rate 3   4.270%

MORTALITY TABLE --    2009 Applicable Mortality Table for IRC 417(e) (Unisex).

Actuarial Equivalence

PRE-RETIREMENT           INTEREST --           8.000%  
                          MORTALITY TABLE --   None.

POST-RETIREMENT           INTEREST --           8.000%  
                          MORTALITY TABLE --   GA70M.

MOD093

Schedule SB, part V - Statement of Actuarial Assumptions/Methods  
HENRY MODELL & COMPANY, INC.  
EMPLOYEES' RETIREMENT PLAN  
13-5518048/001  
FOR THE PLAN YEAR 01/01/2009 THROUGH 12/31/2009

ASSUMPTIONS FOR 410(b)/401(a)(4) CALCULATIONS

PRE-RETIREMENT:	INTEREST --	8.500%
POST-RETIREMENT:	INTEREST --	8.500%
	MORTALITY TABLE --	1984 UNISEX TABLE.
PERMISSIVELY AGGREGATED PLANS: Not Tested as Single Plan.		
COMPENSATION:	Use Current Compensation to calculate the Benefit Accrual Rate (Annual Method).	
TESTING AGE:	Normal Retirement Age.	

Schedule SB, line 26 - Schedule of Active Participant Data  
HENRY MODELL & COMPANY, INC.  
EMPLOYEES' RETIREMENT PLAN  
13-5518048/001  
FOR THE PLAN YEAR 01/01/2009 THROUGH 12/31/2009

Attained Age		Years of Credited Service													
		Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29	
		Avg.		Avg.		Avg.		Avg.		Avg.		Avg.		Avg.	
No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.
Under 25	2		30	16,879	5										
25 to 29	2		9		10		2								
30 to 34			4		1		3								
35 to 39			4		2		2								
40 to 44	1		2		2		3								
45 to 49			7		3		4								
50 to 54			2		3		1								
55 to 59					2		2								
60 to 64			1		2		1								
65 to 69			1		1										
70 & up															

Attained Age	Years of Credited Service					
	30 to 34		35 to 39		40 & up	
	No.	Comp.	No.	Comp.	No.	Comp.
Under 25						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54						
55 to 59						
60 to 64						
65 to 69						
70 & up						

Schedule SB, line 26 - Schedule of Active Participant Data  
HENRY MODELL & COMPANY, INC.  
EMPLOYEES' RETIREMENT PLAN  
13-5518048/001  
FOR THE PLAN YEAR 01/01/2009 THROUGH 12/31/2009

Attained Age	Years of Credited Service													
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29	
	Avg.		Avg.		Avg.		Avg.		Avg.		Avg.		Avg.	
	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.
Under 25			11											
25 to 29			68	45,355	13									
30 to 34			65	52,182	32	59,297	5							
35 to 39			44	53,826	41	59,865	19		2		1			
40 to 44			33	63,573	39	65,890	24	80,095	9		3		1	
45 to 49			30	57,655	19		19		9		5		3	
50 to 54			12		20	80,544	15		4				3	
55 to 59			11		9		8		3		2			
60 to 64			3		10		8		2		1		1	
65 to 69					1		1		2		1			
70 & up									1		1		1	

Attained Age	Years of Credited Service					
	30 to 34		35 to 39		40 & up	
	Avg.		Avg.		Avg.	
	No.	Comp.	No.	Comp.	No.	Comp.
Under 25						
25 to 29						
30 to 34						
35 to 39						
40 to 44						
45 to 49						
50 to 54	2		2			
55 to 59	7		1			
60 to 64	1					
65 to 69					1	
70 & up					2	



# **HENRY MODELL & COMPANY, INC.** **EMPLOYEES' RETIREMENT PLAN**

## **Schedule H, line 4i-Schedule of Assets (Held at End of Year)**

December 31, 2009

EIN #13-5518048

Plan #001

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment	Cost	Current Value
	Capital Southwest Corp.	Mutual Fund	\$ 128,870	\$ 283,680
	Dime Bancorp Inc New	Warrant	-	1,764
	Allstate Corp.	Common Stock	144,936	135,721
	Abbott Laboratories	Common Stock	145,826	186,266
	Activision Blizzard Inc.	Common Stock	38,310	144,430
	American Express Company	Common Stock	664,527	526,760
	Anadarko Petroleum Corp.	Common Stock	124,707	312,100
	Bank of America	Common Stock	141,559	144,862
	Berkshire Hathaway, Inc.	Common Stock	141,640	1,488,000
	Capital One Financial Corp.	Common Stock	397,333	325,890
	Comcast Corporation	Common Stock	202,052	224,140
	Corn Products Int'l, Inc.	Common Stock	135,446	292,300
	Covanta Holding Corporation	Common Stock	177,495	208,035
	Enesco International Ltd.	Common Stock	205,876	179,730
	Homefed Corp.	Common Stock	2,411	32,977
	International Business Machines Corp.	Common Stock	262,406	373,065
	Kroger Co.	Common Stock	159,269	160,134
	Leucadia National Corp.	Common Stock	52,010	1,213,290
	Loews Corp.	Common Stock	494,368	865,130
	Lubrizol Corp.	Common Stock	177,079	437,700
	Mediacom Comm. Corp.	Common Stock	197,319	129,630
	Mineral Technologies Inc.	Common Stock	331,908	457,548
	MODEC Inc.	Common Stock	422,583	239,003
	News Corporation	Common Stock	245,422	216,767
	Occidental Petroleum Corp.	Common Stock	184,019	288,793
	Onex Corp.	Common Stock	232,656	797,654
	Oracle Corp.	Common Stock	240,037	299,266
	Pfizer, Inc.	Common Stock	268,727	591,029
	Pioneer Natural Resources Co.	Common Stock	155,694	236,033
	Pride International Inc.	Common Stock	304,971	232,943
	Reinsurance Group of America Incorporated	Common Stock	196,480	247,780
	RHJ International SA	Common Stock	372,093	153,214
	Seadrill Ltd	Common Stock	161,609	262,603
	Symantic Corp.	Common Stock	181,367	207,524
	Telephone & Data Systems Inc.	Common Stock	222,172	387,368
	Texas Industries Inc.	Common Stock	56,686	165,923
	Travelers Corp.	Common Stock	160,737	186,975
	Viacom Inc.	Common Stock	84,978	163,515
	Vornado Realty	Common Stock	395,893	333,404
	Whiting Petroleum Corporation	Common Stock	165,279	278,655
	Xerox Corp.	Common Stock	393,540	214,038
	Total investments		<u>\$ 8,770,290</u>	<u>\$ 13,625,639</u>

The accompanying notes are an integral part of the financial statements.

# **HENRY MODELL & COMPANY, INC.** **EMPLOYEES' RETIREMENT PLAN**

## **Schedule H, line 4i-Schedule of Assets (Acquired and Disposed of Within Year)**

*For the Year ended December 31, 2009*

**EIN #13-5518048**

**Plan #001**

(a)	(b)	(c)	(d)	(e)
Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment	Costs of Acquisitions	Proceeds of Dispositions	
United States Treasury Bills	U.S. Government Obligations	\$ 899,316	\$ 900,000	
Cardinal Health, Inc.	Common Stock	84,927	120,863	
Carefusion Corp	Common Stock	32,566	43,722	
Seahawk Drilling, Inc.	Common Stock	19,963	14,121	
Teekay Corporation	Common Stock	114,515	162,797	
Unilever N.V.	Common Stock	76,313	119,682	

# **HENRY MODELL & COMPANY, INC.** **EMPLOYEES' RETIREMENT PLAN**

## **Statements of Net Assets Available for Benefits**

<i>December 31,</i>	<i>2009</i>	<i>2008</i>
<b>Assets</b>		
Investments (at fair value):		
Cash and cash equivalents	\$ 1,600,593	\$ 881,936
U.S. Government Obligations	-	1,549,868
Corporate securities	13,625,639	10,064,906
Total investments (at fair value)	<u>15,226,232</u>	<u>12,496,710</u>
Receivables:		
Employer contributions	<u>2,105,518</u>	<u>-</u>
Total assets	<u>17,331,750</u>	<u>12,496,710</u>
<b>Net assets available for benefits</b>	<u><u>\$ 17,331,750</u></u>	<u><u>\$ 12,496,710</u></u>

*The accompanying notes are an integral part of the financial statements.*

# HENRY MODELL & COMPANY, INC.

## EMPLOYEES' RETIREMENT PLAN

### Statement of Changes in Net Assets Available for Benefits

*For the Year Ending December 31, 2009*

#### Additions:

Investment income (loss):

Interest and dividend income	\$ 132,384
Net appreciation in fair value of investments	3,588,869

Contributions:

Employer	2,105,518
----------	-----------

Total additions	5,826,771
-----------------	-----------

#### Deductions:

Realized loss on sale of investments	258,555
Benefits paid to participants	373,315
Administrative expenses	196,957
Investment expenses	162,904

Total deductions	991,731
------------------	---------

Net increase	4,835,040
--------------	-----------

Net assets available for plan benefits - beginning of year	12,496,710
--	------------

Net assets available for plan benefits - end of year	\$ 17,331,750
--	---------------

# **HENRY MODELL & COMPANY, INC.**

## **EMPLOYEES' RETIREMENT PLAN**

### **Statement of Accumulated Plan Benefits**

<i>For the Year Ending December 31,</i>	<i>2009</i>	<i>2008</i>
<b>Actuarial present value of accumulated plan benefits</b>		
Vested benefits:		
Participants currently receiving payments	\$ 2,796,283	\$ 2,204,643
Other participants	<u>11,912,597</u>	<u>10,858,159</u>
	14,708,880	13,062,802
Non-vested benefits	<u>370,965</u>	<u>384,909</u>
<b>Total actuarial present value of accumulated plan benefits</b>	<u><u>\$ 15,079,845</u></u>	<u><u>\$ 13,447,711</u></u>

*The accompanying notes are an integral part of the financial statements.*

# **HENRY MODELL & COMPANY, INC.**

## **EMPLOYEES' RETIREMENT PLAN**

### **Statement of Changes in Accumulated Plan Benefits**

*For the Year Ending December 31, 2009*

---

<b>Actuarial present value of accumulated plan benefits - beginning of year</b>	<b>\$ 13,447,711</b>
Increase during year attributable to:	
Plan amendments	-
Changes in actuarial assumptions	-
Other, including benefits accumulated, interest adjustment due to decrease in discount period and benefits paid	<u>1,632,134</u>
<b>Actuarial present value of accumulated plan benefits - end of year</b>	<b><u>\$ 15,079,845</u></b>

# HENRY MODELL & COMPANY, INC. EMPLOYEES' RETIREMENT PLAN

## Notes to Financial Statements

December 31, 2009

---

### 1. Description of Plan

The following brief description of the Henry Modell & Company, Inc. Employees' Retirement Plan (the "Plan") is provided for general purposes only. Participants should refer to the Plan Agreement for more complete information.

**General** - The Plan is a non-contributory defined benefit plan covering certain union employees (effective April 1, 1997) and all non-union employees who meet eligibility. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan also complies with all subsequent tax reform acts.

**Eligibility** - Employees are eligible to participate when they reach ages 21 and have completed six months of employment (at least 1,000 hours of service) in the employ of the Henry Modell & Company, Inc., (the "Company"). The union members were eligible to enter effective April 1, 1997.

**Funding** - The Plan is funded by calculating the value of future plan benefits and a level rate of contribution is determined. The rate of contribution is designed to spread the cost of plan benefits over future employment and is expressed as a percentage of payroll. Subsequent to year end, the Company made a contribution to the Plan for the year ended December 31, 2009. The assumed rate of return used in determining actuarial present value was 8%. There was no change from the prior year in actuarial assumption. There was no calculation for pre-retirement mortality table. The 1970 Group Annuity Mortality Table was used to calculate past retirement mortality.

**Pension benefits** - Upon attainment of normal retirement, age 65 with five years of participation, each participant will be entitled to a monthly benefit based on a percentage of compensation times years of credited service up to a maximum of 30. The union employees will be paid \$156 multiplied by years of service at retirement or termination up to a maximum of 40 years, plus any benefits payable under a Collective Bargaining Agreement. The Plan provides for early retirement at age 60 and five years of service.

**Vesting** - Participants must be in the Plan for five years and are then 100% vested.

**Death benefit** - If an active participant dies prior to their normal retirement age, their beneficiary receives the present value of the decedent's accrued benefit.

# HENRY MODELL & COMPANY, INC. EMPLOYEES' RETIREMENT PLAN

## Notes to Financial Statements

December 31, 2009

---

### 1. Description of Plan *(continued)*

**Termination** - The Company can terminate the Plan at any time. Upon termination of the Plan, its assets will be allocated first, to provide pension benefits to retired participants who retired prior to the Plan termination; second, to provide pension benefits to participants who have reached their normal retirement dates but who have not retired on the date of termination; third, to provide pension benefits to participants who have not reached their normal retirement dates at such time, based on their accrued benefits on the date of termination. Upon termination, the Plan's benefits are insured by the Pension Benefit Guaranty Corporation (PBGC).

**Administrative expenses** - Administrative expenses are paid by the Plan. Plan expenses paid for the year ended December 31, 2009 were \$196,957.

### 2. Summary of Significant Accounting Policies

**Basis of presentation** - The financial statements of the Plan have been prepared in accordance with accounting principles generally accepted in the United States of America. The financial statements of the Plan are prepared under the accrual method of accounting except in participant benefit payments, which are recorded when paid. The Plan presents in the statements of changes in net assets available for benefits, the net appreciation (depreciation) in the fair value of its investments which consist of realized gains or losses and the unrealized appreciation (depreciation) of those investments.

**Investment valuation and recognition** - The Plan's investments are stated at fair value as measured by quoted market prices. Purchases and sales of securities are recorded on a trade-date basis. Dividends and interest are recorded when received. Gains or losses on investment sales are determined on the basis of actual cost.

**Use of estimates** - The preparation of financial statements in conformity with generally accepted accounting principles generally accepted in the United States of America requires management to make significant estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities, at the date of the financial statements and the reported amounts of additions and deductions during the reporting period.

**Party-in-interest transactions** - Certain trustees of the Plan are also shareholders of the Employer.



# HENRY MODELL & COMPANY, INC.

## EMPLOYEES' RETIREMENT PLAN

### Notes to Financial Statements

December 31, 2009

#### 3. Risks and Uncertainties

The Plan provides for various investment options which invest in different investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least possible that changes in risks in the near term could materially affect participants' account balances and the amounts reported in the Statements of Net Assets Available for Benefits and the Statement of Changes in Net Assets Available for Benefits.

The Plan maintains accounts with several stock brokerage firms, some of which are in excess of the insured limits. The accounts contain cash and securities. Balances are insured up to \$500,000 (with a limit of \$100,000 for cash) by the Securities Investor Protection Corporation.

#### 4. Investments in Securities

Set forth below are the major categories of investments in securities at December 31, 2009 and 2008:

	2009	2008
Cash and cash equivalents	\$ 1,600,593	\$ 881,936
U.S. Government Obligations	-	1,549,868
Corporate securities at fair value	13,625,639	10,064,906
Total at fair value	<u>\$ 15,226,232</u>	<u>\$ 12,496,710</u>
Total at cost	<u>\$ 8,770,290</u>	<u>\$ 10,328,234</u>

The following securities individually are in excess of 5% of net assets available for benefits:

	2009	2008
U.S. Government Obligations	\$ -	\$ 1,549,868
Berkshire Hathaway, Inc.	1,488,000	1,449,000
Leucadia National Corp.	1,213,290	1,009,800
Loews Corp.	865,130	672,350
Onex Corp.	797,654	-

# HENRY MODELL & COMPANY, INC.

## EMPLOYEES' RETIREMENT PLAN

### Notes to Financial Statements

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#### 5. Tax Status

The Internal Revenue Service has determined and informed the Company by letter dated March 16, 2004, that the Plan is designated in accordance with applicable sections of the Internal Revenue Code.

#### 6. Fair Value Measurements

The FASB Accounting Standards Codification No. 820 ("ASC 820"), *Fair value measurement and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three levels of the fair value hierarchy under FASB Statement No. 157 are described as follows:

Level 1	Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.
Level 2	Inputs to the valuation methodology include: <ul style="list-style-type: none"><li>• Quoted prices for similar assets or liabilities in active markets.</li><li>• Quoted prices for identical or similar assets or liabilities in inactive markets.</li><li>• Inputs other than quoted prices that are observable for the asset or liability.</li><li>• Inputs that are derived principally from or corroborated by observable marked data by correlation or other means.</li></ul>
Level 3	Inputs to the valuation methodology are unobservable.

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

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

# HENRY MODELL & COMPANY, INC.

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#### 6. Fair Value Measurements *(continued)*

Corporate securities and United States Government Obligations: Valued at the closing price reported on the active market on which the individual securities are traded.

Cash and cash equivalents: Value at end of the year.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the plan's assets at fair value as of December 31, 2009:

	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 1,600,593	\$ -	\$ -	\$ 1,600,593
U.S. government obligations	-	-	-	-
Corporate securities	13,625,639	-	-	13,625,639
Total investments at fair value	<u>\$ 15,226,232</u>	<u>\$ -</u>	<u>\$ -</u>	<u>15,226,232</u>

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2008:

	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 881,936	\$ -	\$ -	\$ 881,936
U.S. government obligations	1,549,868	-	-	1,549,868
Corporate securities	10,064,906	-	-	10,064,906
Total investments at fair value	<u>\$ 12,496,710</u>	<u>\$ -</u>	<u>\$ -</u>	<u>12,496,710</u>

# **HENRY MODELL & COMPANY, INC.**

## **EMPLOYEES' RETIREMENT PLAN**

### **Notes to Financial Statements**

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#### **7. New Accounting Pronouncements**

In September 2010, the FASB issued Accounting Standards Update No. 2010-25, Plan Accounting "*Reporting Loans to Participants by Defined Contributions Pension Plans*" which will update Defined Contribution Pension Plans (ASC 962), and will require that participant loans be classified as notes receivable from participants, and segregated from plan investments and measured at their unpaid principle balance plus any accrued but unpaid interest. This will be effective for fiscal years ending after December 15, 2010.

#### **8. Subsequent Events**

Management has evaluated events and transactions occurring after the balance sheet date and through the date of the auditors' report contained herein to determine whether any of these events or transactions were required to be recognized or disclosed in the financial statements. Management used the date that the financial statements were available to be issued which is the date that management approved the financial statements for issuance.