Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

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

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

OMB Nos. 1210-0110
1210-0089

2010

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2010 or fiscal plan year beginning 01/01/2006 and ending 12/31/2006

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

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

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

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

Part II Basic Plan Information—enter all requested information

1a Name of plan
PALL SECTION 1165(E) RETIREMENT AND SAVINGS PLAN FOR THE PR EES. OF THE PALL CORPORATION

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 07/01/2000

2a Plan sponsor's name and address (employer, if for a single-employer plan)
(Address should include room or suite no.)
PALL LIFE SCIENCES PUERTO RICO, LLC

ROAD 194, PALL BLVD 98
FAJARDO, PR 00738

2b Employer Identification Number (EIN)
66-0676343

2c Sponsor's telephone number
787-863-1124

2d Business code (see instructions)
541990

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	11/11/2010	JAMES PORRETTO
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")
PALL LIFE SCIENCES PUERTO RICO, LLC

ROAD 194, PALL BLVD 98
FAJARDO, PR 00738

3b Administrator's EIN
66-0676343

3c Administrator's telephone number
787-863-1124

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

a Sponsor's name
PALL DE PUERTO RICO, INC.

4b EIN
66-0327905

4c PN
001

5	Total number of participants at the beginning of the plan year	**5**	1058
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	909
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	116
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	1025
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	0
f	Total. Add lines **6d** and **6e**	**6f**	1025
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	572
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	0
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

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

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

9a Plan funding arrangement (check all that apply)

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

9b Plan benefit arrangement (check all that apply)

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

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

a Pension Schedules

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

b General Schedules

(1)	X		**H** (Financial Information)
(2)			**I** (Financial Information – Small Plan)
(3)		0	**A** (Insurance Information)
(4)			**C** (Service Provider Information)
(5)			**D** (DFE/Participating Plan Information)
(6)			**G** (Financial Transaction Schedules)

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

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

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

OMB No. 1210-0110

2010

This Form is Open to Public Inspection

For calendar plan year 2010 or fiscal plan year beginning 01/01/2006 and ending 12/31/2006

A Name of plan
PALL SECTION 1165(E) RETIREMENT AND SAVINGS PLAN FOR THE PR EES. OF THE PALL CORPORATION

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
PALL LIFE SCIENCES PUERTO RICO, LLC

D Employer Identification Number (EIN)
66-0676343

Part I Asset and Liability Statement

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	27009	30176
(2) Participant contributions	1b(2)	43224	52865
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)	170917	250048
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	3098606	4824535
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	3339756	5157624
	Liabilities			
g	Benefit claims payable	1g	15194	0
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	15194	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	3324562	5157624

Part II Income and Expense Statement

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

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	353760	
	(B) Participants	2a(1)(B)	637806	
	(C) Others (including rollovers)	2a(1)(C)	540132	
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		1531698
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)	12731	
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		12731
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		0
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		429943
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		1974372
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	139062	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		139062
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	2248	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		2248
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		141310
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		1833062
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

(1) Name: KPMG, LLP (2) EIN: 13-5565207

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

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

Part IV Compliance Questions

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

During the plan year:

		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		1000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

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

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

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

PALL SECTION 1165(e) RETIREMENT AND SAVINGS PLAN FOR THE PUERTO RICO EMPLOYEES OF THE PALL CORPORATION

Financial Statements and Supplemental Schedule

December 31, 2006 and 2005

(With Independent Auditors' Report Thereon)

KPMG LLP
American International Plaza
Suite 1100
250 Muñoz Rivera Avenue
San Juan, PR 00918-1819

Independent Auditors' Report

The Plan Administrator
Pall Section 1165(e) Retirement and Savings Plan
for the Puerto Rico Employees of the Pall Corporation:

We were engaged to audit the accompanying statements of net assets available for benefits of Pall Section 1165(e) Retirement and Savings Plan for the Puerto Rico Employees of the Pall Corporation (the Plan) as of December 31, 2006 and 2005, and the related statements of changes in net assets available for benefits for the years then ended, and the supplemental schedule H, line 4i – schedule of assets (Held at end of year) as of December 31, 2006. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the U.S. Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the investment information summarized in note 3, which was certified by Community Bank, N.A., the custodian of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the custodian as of December 31, 2006 and 2005, and for the years then ended, that the information provided to the plan administrator by the custodian is complete and accurate.

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

KPMG LLP

October 15, 2010

Stamp No. 2530786 of the Puerto Rico
Society of Certified Public Accountants
was affixed to the record copy of this report.

KPMG LLP, is Delaware limited liability partnership, the U.S. member firm of KPMG International Cooperative ("KPMG International"), a Swiss entity.

PALL SECTION 1165(e) RETIREMENT AND SAVINGS PLAN FOR THE PUERTO RICO EMPLOYEES OF THE PALL CORPORATION

Statements of Net Assets Available for Benefits

December 31, 2006 and 2005

	2006	2005
Assets:		
Investment as certified by the custodian (note 3)	$ 4,824,535	$ 3,098,606
Participant loans	250,048	170,917
Receivables:		
Participants' contributions	52,865	43,224
Employer's contributions	30,176	27,009
Total contributions	83,041	70,233
Net assets available for benefits	$ 5,157,624	$ 3,339,756

See accompanying notes to financial statements.

PALL SECTION 1165(e) RETIREMENT AND SAVINGS PLAN
FOR THE PUERTO RICO EMPLOYEES OF
THE PALL CORPORATION

Statements of Changes in Net Assets Available for Benefits

Years ended December 31, 2006 and 2005

	2006	2005
Additions:		
Additions to assets attributed to:		
Investment income:		
Net appreciation in fair value of investments	$ 300,686	$ 114,406
Interest and dividends	141,988	63,389
Net investment income	442,674	177,795
Contributions:		
Participants	637,806	508,646
Employer	353,760	290,213
Rollover from participants	540,132	17,313
Total contributions	1,531,698	816,172
Total additions	1,974,372	993,967
Deductions from assets attributed to:		
Benefits paid to participants	154,256	338,203
Administrative expenses	2,248	161
Total deductions	156,504	338,364
Net increase	1,817,868	655,603
Net assets available for benefits:		
Beginning of year	3,339,756	2,684,153
End of year	$ 5,157,624	$ 3,339,756

See accompanying notes to financial statements.

PALL SECTION 1165(e) RETIREMENT AND SAVINGS PLAN
FOR THE PUERTO RICO EMPLOYEES OF
THE PALL CORPORATION

Notes to Financial Statements

December 31, 2006 and 2005

(1) Description of Plan

The following description of the Pall Section 1165(e) Retirement and Savings Plan for the Puerto Rico Employees of the Pall Corporation (the Plan) provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

(a) General

The Plan is a defined contribution plan for nonunion employees who have completed three months of service with Pall Puerto Rico, Inc., Pall Biomedical, Inc., or Pall Netherlands B.V. (predecessor entities). Upon a series of reorganization transactions during the year ended December 31, 2006 all employees of the predecessor entities were transferred to Pall Life Sciences Puerto Rico, LLC (the Company or the Sponsor). The Plan was adopted by the Company and was effective as of July 1, 2000. The Plan is administered by a management committee appointed by Pall Corporation (the Parent Company of Sponsor). It is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

(b) Administration of Plan

The Plan is administered by UBS Trust Company of Puerto Rico (the Trustee) under the terms of a trust agreement entered into between the Sponsor and the Trustee.

The Plan requires that participants select the investment funds into which their account is invested. The participant may select from six investment funds for the years ended December 31, 2006 and 2005.

(c) Contributions

Participants may contribute, on either a pretax or after-tax basis, specified percentages of his/her compensation to the Plan subject to the Puerto Rico Internal Revenue Code of 1994, as amended (the Code), limitation of $8,000. Additionally, the Plan provides an employer-matching component. The employer matches 100.0% of the participant's contribution up to a maximum of 2.5% of compensation subject to the Plan limitation of $3,000.

Any excess funds resulting from a forfeiture of all or any portion of the account of a participant or former participant under circumstances that do not entitle the participant, former participant, his/her spouse, or beneficiary to the full amount of his/her account under the plan agreement, shall not be applied to increase the benefits payable to any other participant, spouse, or beneficiary, but shall remain in the trust fund and shall have the effect of reducing the amount of any subsequent contributions to the Plan by the Company.

(d) Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of (a) the participant's contribution, (b) the Company's contribution, (c) plan earnings (losses), and (d) expenses. Allocations of the Plan's earnings (losses) are based on participant account balances. The

(Continued)

benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

(e) Vesting

Participants are immediately vested in their contributions, plus actual earnings thereon, and become 100% vested in Company contributions and earnings thereon, upon completion of three years of service in schedule.

(f) Payment of Benefits

On termination of service due to death, disability, or retirement at age 65, a participant may elect to receive either a lump-sum amount equal to the vested portion of his/her account, or monthly installments over an extended period. In addition, a participant may elect to receive a withdrawal in the event of financial hardship in accordance with the terms of the Plan.

(g) Forfeited Accounts

At December 31, 2006 and 2005, forfeited nonvested accounts totaled $31,114 and $17,511, respectively. These accounts will be used to reduce future employer contributions. During the year ended December 31, 2005 a total of $13,316, forfeited nonvested accounts were used to reduce employer contributions. No forfeited nonvested accounts were used to reduce employer contributions for the year ended December 31, 2006.

(h) Administrative Expenses

Administrative expenses are paid by the Company if not paid by the Plan. In 2006, the Plan and the Company paid $2,248 and $64,856 in administrative expenses, respectively. In 2005, the Plan paid $161 in administrative expenses.

(i) Participant Loans

Participants may borrow against their vested account balance a minimum of $500 up to a maximum equal to the lesser of $50,000 or 50% of their account balance whichever is lower. The loans are secured by the balance in the participant account. The repayment period varies depending on the type of the loan. General-purpose loans must be repaid within a five-year period with longer repayments terms permitted for primary residence loans. Interest is charged at a rate equivalent to that charged by financial institutions for comparable loans at the time the loan is made. Outstanding participants loans as of December 31, 2006 and 2005, amount to $250,048 and $170,917, respectively, at rates ranging between 8.25% and 9.25%.

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting.

(b) Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires the Plan's management to make estimates and assumptions that affect the reported amounts of assets and changes therein and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

(c) Investments Valuation and Income Recognition

The Plan's investments other than participant loans are stated at fair value based on quoted market values. Quoted market prices are used to value investments, including shares of registered investment companies.

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

(d) Participant Loans

Participant loans are carried at amortized cost plus any accrued but unpaid interest, which approximates fair value.

(e) Payment of Benefits

Benefits are recorded when paid.

(f) Risk and Uncertainties

Participants may direct investment of their account balances in various types of investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of asset available for benefits.

(3) Information Certified by Custodian (Unaudited)

The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the U.S. Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the plan administrator has obtained certification from Community Bank, the custodian of the Plan, as of December 31, 2006 and 2005, and for the years then ended, that the information provided to the plan administrator by the plan custodian is complete and accurate, including the related investment activity reflected in the statements of changes in assets available for plan benefits for the years ended December 31, 2006 and 2005.

(Continued)

The following table presents the fair values of investments and outstanding balances of participant loans certified by the custodian as of December 31, 2006 and 2005:

		2006	2005
Shares of registered investment companies, at fair value:			
AIM Constellation Fund, 11,622 and 9,250 shares*	$	304,717	229,142
AIM Large Cap Growth A, 51,277 and 32,736 shares*		589,175	394,151
AIM International Equity Fund, 34,448 and 25,049 shares*		1,024,835	588,157
Federated Prime Cash Obligation Fund, 785,866 and 552,865 shares*		785,866	552,866
PIMCO Total Return Fund, 115,224 and 71,184 shares*		1,196,022	747,423
Dreyfus S&P 500 Fund, 23,098 and 16,144 shares*		923,920	586,867
Participants loans		250,048	170,917
	$	5,074,583	3,269,523

* Represents investments over 5% of the Plan's net assets available for plan benefits in 2005.

During 2006 and 2005, the Plan's investments in shares of registered investment companies (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by $300,686 and $114,406, respectively. Investment income from interests and dividends amounted to $141,988 and $63,389 for the years ended December 31, 2006 and 2005, respectively.

(4) Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants will become 100% vested in their employer contributions.

(5) Tax Status

The Puerto Rico Department of the Treasury has determined and informed the Company by determination letter dated January 18, 2002 that the Plan and related trust are designed in accordance with applicable provisions of the Puerto Rico Internal Revenue Code of 1994, as amended (the Code), and therefore, are exempt from income taxes. In the opinion of the plan administrator, the Plan and its related trust are designed and are currently being operated within the terms of the Plan and remain qualified under the applicable provisions of the Code.

(Continued)

(6) Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500 as of December 31, 2005:

		2005
Net assets available for benefits as reported in Form 5500	$	3,324,562
Benefits payable at December 31, 2005 reported in Form 5500		15,194
Net assets available for benefits per the financial statements	$	3,339,756

The following is a reconciliation of benefits paid per the financial statements to the Form 5500 for the year ended December 31, 2006:

		2006
Benefits paid as reported in Form 5500	$	139,062
Benefits accrued on Form 5500 at December 31, 2005 but paid on 2006		15,194
Benefits paid per the financial statements	$	154,256

(7) Subsequent Event

Commencing in 2009, the Act No. 186 of August 7, 2008 (Act 186) amended Section 1165(e) of the Puerto Rico Internal Revenue Code of 1994 to gradually increase the maximum allowed contributions for tax years up to:

2009 and 2010	$	9,000
2011 and 2012		10,000
2013 and thereafter		12,000

Schedule

PALL SECTION 1165(e) RETIREMENT AND SAVINGS PLAN FOR THE PUERTO RICO EMPLOYEES OF THE PALL CORPORATION

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

December 31, 2006

(a)	(b) Identity of issuer, borrower, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, part, or maturity value	(d) Cost		(e) Current value
		Shares of registered investment companies:			
	AIM	AIM Constellation Fund, 11,622 shares	N/A	$	304,717
	AIM	AIM Large Cap Growth A Fund, 51,277 shares	N/A		589,175
	AIM	AIM International Equity Fund, 34,448 shares	N/A		1,024,835
	Federated	Federated Prime Cash Obligation Fund, 785,866 shares	N/A		785,866
	PIMCO	PIMCO Total Return Fund, 115,224 shares	N/A		1,196,022
	Dreyfus	Dreyfus S&P 500 Fund, 23,098 shares	N/A		923,920
*	Plan participants	140 participant loans at interest rates between 8.25% and 9.25% terms ranging from 1 to 5 years	—		250,048
		Total investments		$	5,074,583

* Represents a party in interest.

Note: The data included above are based upon information that has been certified as complete and accurate by the custodian.

N/A: Not applicable since all investments are participant directed.

See accompanying independent auditors' report.

Official Use Only

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

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

► **File as an Attachment to Form 5500.**

OMB No. 1210-0110

2006

This Form is Open to Public Inspection.

For calendar year 2006 or fiscal plan year beginning , and ending ,

A Name of plan	**B** Three-digit plan number ►
PALL 1165E RETIREMENT AND SAVINGS PLAN FOR THE PR	001
C Plan sponsor's name as shown on line 2a of Form 5500	**D** Employer Identification Number
PALL LIFE SCIENCES PUERTO RICO, LLC	66-0676343

Part I Distributions

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

1	Total value of distributions paid in property other than in cash or the forms of property specified in the instructions	**1** $ 0
2	Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits). 66-0532499	
	Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.	
3	Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	**3**

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

4 Is the plan administrator making an election under Code section 412(c)(8) or ERISA section 302(c)(8)? ☐ Yes ☐ No ☐ N/A

If the plan is a defined benefit plan, go to line 7.

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

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

6a	Enter the minimum required contribution for this plan year	**6a** $
b	Enter the amount contributed by the employer to the plan for this plan year	**6b** $
c	Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	**6c** $

If you completed line 6c, skip lines 7 and 8 and complete line 9.

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

Part III Amendments

8 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. (See instructions) ☐ Increase ☐ Decrease ☐ No

Part IV Coverage (See Instructions.)

9 Check the box for the test this plan used to satisfy the coverage requirements ☐ the ratio percentage test ☐ average benefit test

2 2 0 6 0 1 0 1 0 C

Pall Corporation

25 Harbor Park Drive
Port Washington, NY 11050

516.484.3600 phone
516.801.9643 fax
www.pall.com

November 9, 2010

EBSA
Attention: EFAST
3833 Greenway Drive
Lawrence, KS 66046-5502

Subject: Form 5500 filing for the PALL Section 1165(e) Retirement and Savings Plan for the Puerto Rico Employees of the PALL Corporation;
EIN 66-0676343, PN 001.

Dear Sir or Madam,

Enclosed please find amended Form 5500 filings with respect to the above-captioned Plan for Plan years ended December 31, 2006, December 31, 2007, December 31, 2008, and December 31, 2009, respectively. The previously filed Form 5500's have been amended as follows:

Plan Year Ending December 31, 2006

- Form 5500: Amended to reflect the correct Plan Sponsor's Name
- Form 5500 - Schedule H: Minor Revisions
- Audited financial statements not previously provided with Form 5500

Plan Year Ending December 31, 2007

- Form 5500: Amended to reflect the correct Plan Sponsor's Name
- Form 5500 - Schedule H: Minor Revisions
- Audited financial statements not previously provided with Form 5500

Plan Year Ending December 31, 2008

- Form 5500: Amended to reflect the correct Plan Sponsor's Name
- Form 5500 – Schedule C: This form was previously omitted
- Form 5500 - Schedule H: Minor Revisions
- Audited financial statements not previously provided with Form 5500

PALL Pall Corporation

Plan Year Ending December 31, 2009

- Form 5500: Amended to reflect the correct Plan Sponsor's Name
- Revised audited financial statements to reflect a footing error in the total of the assets at the beginning of the year

We became aware of the omission of audited financial statements with respect to the 2006-2008 Plan year 5500s in connection with preparation of the Form 5500 of the Plan for the year ended December 31, 2009. The 5500s for the Plan for 2006 – 2008 had been prepared by the Human Resource Department of the Plan sponsor's local office in Puerto Rico and the omissions appear to have resulted from miscommunications between the independent auditing firm for the Plan, the Plan's third-party recordkeeper, and that Human Resource Department. As a result of these errors, we have shifted the responsibility for completing and filing Form 5500s with respect to the Plan to our Corporate Headquarters located in Port Washington, NY. We believe this will prevent errors from occurring with respect to future filings, as the filings will be overseen by our Corporate Benefits Department and Finance Department which have much more experience in preparing and filing Form 5500s than does the Human Resource Department in our Puerto Rico office.

In the course of a post-filing review of the Plan's 2009 Form 5500, we noticed that the name of the Plan sponsor was incorrectly stated. Accordingly, the enclosed amendments to each of the 2006-2009 Form 5500s correct the name of the Plan sponsor and make other minor adjustments detected in the course of such review.

If you have any questions, please contact me at 516.801.9928.

Sincerely,

Bernard M. Lipman
Benefits Manager
Pall Corporation

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

Name of Plan: PALL 1165(E) RETIREMENT & SAVINGS PLAN

►

Employer Identification Number:► 66-0676343

For plan year (beginning/ending):► 1/1/2006-12/31/2006 Plan number:► 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
	AIM CONSTELLATION FUND	REGISTERED INVESTMENT		304,717
	AIM INTERNATIONAL EQUITY	REGISTERED INVESTMENT		1,024,835
	AIM LARGE CAP GROWTH	REGISTERED INVESTMENT		589,175
	DREYFUS S&P 500 INDEX	REGISTERED INVESTMENT		923,920
	EMPLOYEES LOAN	VARIOUS RATES		250,048
	FRDERATED PRIME OBLIG.	REGISTERED INVESTMENT		785,866
	PIMCO TOTAL RETURN ADMIN	REGISTERED INVESTMENT		1,196,022