

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). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2009 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information		
For calendar plan year 2009 or fiscal plan year beginning <u>10/01/2009</u> and ending <u>09/30/2010</u>			
A This return/report is for:	☐ a multiemployer plan;	☐ a multiple-employer plan; or	
	☒ a single-employer plan;	☐ a DFE (specify) ____	
B This return/report is:	☐ the first return/report;	☐ the final return/report;	
	☐ an amended return/report;	☐ a short plan year return/report (less than 12 months).	
C If the plan is a collectively-bargained plan, check here.	☐		
D Check box if filing under:	☒ Form 5558;	☐ automatic extension;	☐ the DFVC program;
	☐ special extension (enter description)		

Part II	Basic Plan Information —enter all requested information		
1a Name of plan	<u>FALLON CLINIC, INC. ACCOUNT BALANCE PENSION PLAN</u>	1b Three-digit plan number (PN) ▶	<u>001</u>
		1c Effective date of plan	<u>12/01/1970</u>
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.)	<u>FALLON CLINIC, INC.</u>		
		2b Employer Identification Number (EIN)	<u>04-2472266</u>
		2c Sponsor's telephone number	<u>508-368-5413</u>
<u>630 PLANTATION STREET WORCESTER, MA 01605-2038</u>		2d Business code (see instructions)	<u>621111</u>

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.	<u>07/15/2011</u>	<u>KAREN MARTUCCI</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	<u>07/15/2011</u>	<u>RANDI NICHOLS</u>
	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

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

Form 5500 (2009)
v.092307.1

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") FALLON CLINIC, INC. 630 PLANTATION STREET WORCESTER, MA 01605-2038	3b Administrator's EIN 04-2472266 3c Administrator's telephone number 508-368-5413
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	2983
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	1413
b Retired or separated participants receiving benefits.....	6b	171
c Other retired or separated participants entitled to future benefits.....	6c	1313
d Subtotal. Add lines 6a , 6b , and 6c	6d	2897
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	15
f Total. Add lines 6d and 6e	6f	2912
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	16

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
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8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
 1A 1C 1G 1I

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) ☒ 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) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules (1) ☒ 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) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)
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SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department 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
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For calendar plan year 2009 or fiscal plan year beginning 10/01/2009 and ending 09/30/2010

▶ **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 <u>FALLON CLINIC, INC. ACCOUNT BALANCE PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>FALLON CLINIC, INC.</u>	D Employer Identification Number (EIN) <u>04-2472266</u>
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 <u>10</u> Day <u>01</u> Year <u>2009</u>	
2 Assets:	
a Market value	2a <u>73480244</u>
b Actuarial value	2b <u>80828268</u>
3 Funding target/participant count breakdown	
	(1) Number of participants (2) Funding Target
a For retired participants and beneficiaries receiving payment	3a <u>167</u> <u>11337336</u>
b For terminated vested participants	3b <u>1247</u> <u>26591320</u>
c For active participants:	
(1) Non-vested benefits	3c(1) <u>210437</u>
(2) Vested benefits	3c(2) <u>56999824</u>
(3) Total active	3c(3) <u>1569</u> <u>57210261</u>
d Total	3d <u>2983</u> <u>95138917</u>
4 If the plan is at-risk, check the box and complete items (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 <u>6.52</u> %
6 Target normal cost	6 <u>553608</u>

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	<u>07/13/2011</u>
Signature of actuary	Date
<u>ANNE T. EHLERT</u>	<u>11-04396</u>
Type or print name of actuary	Most recent enrollment number
<u>TOWERS WATSON DELAWARE INC.</u>	<u>617-638-3760</u>
Firm name	Telephone number (including area code)
<u>800 BOYLSTON STREET</u> <u>BOSTON, MA 02199-8103</u>	
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 <u>-1.84</u> %		
11 Prior year's excess contributions to be added to prefunding balance:		
a Excess contributions (Item 38 from prior year)		3045
b Interest on (a) using prior year's effective rate of <u>6.13</u> %		187
c Total available at beginning of current plan year to add to prefunding balance		3232
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	84.95 %
15 Adjusted funding target attainment percentage.....	15	84.95 %
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	90.02 %
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
01/15/2010	500000				
04/15/2010	500000				
07/14/2010	500000				
10/15/2010	500000				
12/15/2010	4000000				
06/14/2011	970000				
			Totals ►	18(b)	6970000 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
b Contributions made to avoid restrictions adjusted to valuation date	19b
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c 6495793
20 Quarterly contributions and liquidity shortfalls:	
a Did the plan have a "funding shortfall" for the prior year?	☒ Yes ☐ No
b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☒ Yes ☐ 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
0	0	0	0

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

21 Discount rate:				
a Segment rates:	1st segment: 4.92 %	2nd segment: 6.71 %	3rd segment: 6.80 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 0
22 Weighted average retirement age				22 63
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

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

Part VII Reconciliation of unpaid minimum required contributions for prior years

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

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions).....	31	553608
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	8602314	1479826
b Waiver amortization installment		
33 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	33	
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b – item 33).....	34	2033434
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	0	0
36 Additional cash requirement (item 34 minus item 35).....	36	2033434
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	6495793
38 Interest-adjusted excess contributions for current year (see instructions).....	38	4462359
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....	39	0
40 Unpaid minimum required contribution for all years	40	0

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

For calendar plan year 2009 or fiscal plan year beginning 10/01/2009 and ending 09/30/2010	
A Name of plan FALLON CLINIC, INC. ACCOUNT BALANCE PENSION PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 FALLON CLINIC, INC.	D Employer Identification Number (EIN) 04-2472266

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).....	☒ Yes ☐ No
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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).
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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
BROADCAST CAPITAL CORP.
42-5246575

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation
LYNCH JONES & RYAN
13-3989198

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
MORGAN KEEGAN COMPANY INC.
35-1188325

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
ROCHDALE SECURITIESS
20-1093348

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

BARCLAYS CAPITAL

06-1031656

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

CREDIT SUISSE SECURITIES USA LLC

ELEVEN MADISON AVENUE
NEW YORK, NY 10010

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

FRIEDMAN BILLINGS & RAMSEY

52-1630477

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

GOLDMAN SACHS

13-5108880

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

JP MORGAN CHASE

13-2274016

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

RAYMOND JAMES ASSOCIATES, INC.

59-1237041

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

STIFEL NICOLAUS CO., INC.

43-0538770

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

SUNTRUST CAPITAL MARKETS INC.

303 PEACHTREE STREET
25TH FLOOR
ATLANTA, GA 30308

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

UBS SECURITIES LLC

13-3873456

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

WELLS FARGO SECURITIES LLC

56-2326000

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

INVESTMENT TECHNOLOGY GROUP-ITG

95-2848406

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

LABRANCHE

35-2286037

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

LIQUIDNET INC.

13-4095933

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

THE VANGUARD GROUP, INC.

23-1945930

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

EVANSTON CAPITAL MANAGEMENT, LLC

1560 SHERMAN AVE, STE 960
EVANSTON, IL 60201

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

WELLINGTON MANAGEMENT COMPANY, LLP

280 CONGRESS ST
BOSTON, MA 02210

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

PIMCO

33-0629048

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

EATON VANCE MANAGEMENT

04-3101341

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

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

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

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

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

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

SYSTEMATIC FINANCIAL MANAGEMENT, LP

22-3367558

(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?
51	NONE	422293	Yes ☒ No ☐	Yes ☒ No ☐	34	Yes ☐ No ☒

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

WATSON WYATT & COMPANY

53-0181291

(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?
11 50	NONE	158165	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

SANDERSON ASSET MANAGEMENT

13-4169008

(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?
28 50	NONE	53705	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

REID & REIGE PC

06-0867204

(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?
29 50	NONE	52665	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

WELLINGTON TRUST COMPANY, N.A.

04-2755549

(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?
51	NONE	31924	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

PRIME BUCHHOLZ & ASSOCIATES, INC.

02-0426421

(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?
29 50	NONE	29071	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

STATE STREET BANK & TRUST COMPANY

04-1867445

(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?
25 28 50 56 99	NONE	26379	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

CAPFINANCIAL PARTNERS

26-0058143

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27 50	NONE	22250	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

ERNST & YOUNG LLP

34-6565596

(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?
10 50	NONE	19550	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

ARTISAN PARTNERS LTD PARTNERSHIP

30-0551775

(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?
49 52	NONE	0	Yes ☒ No ☐	Yes ☐ No ☒	0	Yes ☒ No ☐

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

A.P. MANAGEMENT COMPANY LLC

360 MADISON AVE, 20TH FL
NEW YORK, NY 10017

(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?
52	NONE	0	Yes ☒ No ☐	Yes ☐ No ☒	93129	Yes ☐ No ☒

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

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

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
ARTISAN PARTNERS LTD PARTNERSHIP	49 52	0
(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.
ARTISAN MID CAP FUND 875 E WISCONSIN AVE SUITE 800 MILWAUKEE, WI 53202	.94% OF FUND ASSETS	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
ARTISAN PARTNERS LTD PARTNERSHIP	49 52	0
(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.
ARTISAN INTERNATIONAL FUND 875 E WISCONSIN AVE SUITE 800 MILWAUKEE, WI 53202	.93% OF FUND ASSETS	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
A.P. MANAGEMENT COMPANY LLC	52	93129
(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.
ARCHSTONE OFFSHORE FUND, LTD 80 LAMBERTON RD WINDSOR, CT 06095	INVESTMENT ADVISORY	

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2009 This Form is Open to Public Inspection.
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For calendar plan year 2009 or fiscal plan year beginning 10/01/2009 and ending 09/30/2010		
A Name of plan FALLON CLINIC, INC. ACCOUNT BALANCE PENSION PLAN	B Three-digit plan number (PN) ►	001
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 FALLON CLINIC, INC.	D Employer Identification Number (EIN) 04-2472266	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)		
a Name of MTIA, CCT, PSA, or 103-12 IE: WTC-CIF DIVERSIFIED INFLATION HEDGE			
b Name of sponsor of entity listed in (a): WELLINGTON TRUST COMPANY, NA			
c EIN-PN 04-2767481-082	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3783530	
a Name of MTIA, CCT, PSA, or 103-12 IE: SANDERSON INTERNATIONAL VALUE GRP T			
b Name of sponsor of entity listed in (a): SANDERSON ASSET MANAGEMENT			
c EIN-PN 20-0348128-001	d Entity code E	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 5935159	
a Name of MTIA, CCT, PSA, or 103-12 IE:			
b Name of sponsor of entity listed in (a):			
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:			
b Name of sponsor of entity listed in (a):			
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:			
b Name of sponsor of entity listed in (a):			
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:			
b Name of sponsor of entity listed in (a):			
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:			
b Name of sponsor of entity listed in (a):			
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

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

For calendar plan year 2009 or fiscal plan year beginning 10/01/2009 and ending 09/30/2010		
A Name of plan FALLON CLINIC, INC. ACCOUNT BALANCE PENSION PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 FALLON CLINIC, INC.	D Employer Identification Number (EIN) 04-2472266	

Part I	Asset and Liability Statement
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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
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	5092987	5470000
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)	132879	139534
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	267	1610
(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)	4568086	5518661
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)	3380942	3783530
(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)	5409709	5935159
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	42447709	48665428
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)	12653925	12054632

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	73686504	81568554

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	73686504	81568554
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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: (A) Employers	2a(1)(A)	6970283	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		6970283

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

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

(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)	1004825	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		1004825

(3) Rents	2b(3)		
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(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)		

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)	1851284	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		1851284
(6) Net investment gain (loss) from common/collective trusts	2b(6)		436675
(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)		579155
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		3693687
c Other income.....	2c		19120
d Total income. Add all income amounts in column (b) and enter total.....	2d		14555030

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	5980370	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)	294463	
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		6274833
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)	259451	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	112958	
(4) Other	2i(4)	25738	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		398147
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		6672980

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		7882050
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

(1) Name: ERNST & YOUNG LLP

(2) EIN: 34-6565596

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

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

Part IV Compliance Questions

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

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		10000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	X		17573293
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

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

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

5b(1) Name of plan(s)

5b(2) EIN(s)

5b(3) PN(s)

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

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2009 This Form is Open to Public Inspection.
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For calendar plan year 2009 or fiscal plan year beginning 10/01/2009 and ending 09/30/2010

A Name of plan <u>FALLON CLINIC, INC. ACCOUNT BALANCE PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>FALLON CLINIC, INC.</u>	D Employer Identification Number (EIN) <u>04-2472266</u>

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>04-3581074</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	<u>68</u>

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

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

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

Schedule R (Form 5500) 2009
v.092308.1

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) _____

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) _____

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) _____

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) _____

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) _____

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) _____

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

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

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

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

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

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

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

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

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

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

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

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

Stock: 48% Investment-Grade Debt: 23% High-Yield Debt: 1% Real Estate: 7% Other: 21%

- 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):

Report of Independent Auditors

The Board of Trustees and Participants
Fallon Clinic, Inc. Account Balance Pension Plan

We were engaged to audit the accompanying statements of net assets available for benefits of the Fallon Clinic, Inc. Account Balance Pension Plan as of September 30, 2010 and 2009, and the related statements of changes in net assets available for benefits for the years then ended and the supplemental schedules of assets (held at end of year) as of September 30, 2010, and reportable transactions for the year then ended. These financial statements and supplemental schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the investment information summarized in Note 4, which was certified by State Street Bank and Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedules. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee, as of and for the years ended September 30, 2010 and 2009, that the information provided to the plan administrator by the trustee is complete and accurate.

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

Ernst & Young LLP

July 15, 2011

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

Plan Name	Fallon Clinic, Inc. Account Balance Pension Plan
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EIN: 04-2472266

Plan Sponsor's Name	Fallon Clinic, Inc.
----------------------------	---------------------

PN: 001

[illegible]

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Statement of Actuarial Assumptions/Methods

Plan Sponsor

Fallon Clinic, Inc.

Discount Rates

Current plan year PPA effective interest rate: 6.52%

Prior plan year PPA effective interest rate: 6.13%

3-Segment Rates

Applicable month: October

Transition election: No

Assumed Cost of Living Adjustments

None

Inclusion Date

The valuation date coincident with or next following the date on which the employee becomes a participant.

Plan-related Expenses

The amount included this year for plan-related expenses is \$553,608.

Mortality

For all participants: The prescribed mortality assumption under IRC §430(h)(3)(A) using static tables with separate mortality rates for annuitants and non-annuitants.

Plan Name: Fallon Clinic, Inc. Account Balance Pension Plan
EIN / PN: 04-2472266 / 001
Plan Sponsor: Fallon Clinic, Inc.
Valuation Date: October 1, 2009

SCHEDULE SB ATTACHMENTS

Retirement

For purposes of determining the Funding Target and Target Normal Cost (both disregarding at-risk assumptions), the rates at which participants retire by age are shown below.

Age	Probability of Retirement
55	3.0%
56	3.0
57	3.0
58	3.0
59	3.0
60	3.0
61	3.0
62	20.0
63	10.0
64	10.0
65	100.0

The average weighted retirement age is 63. This average age was determined by summing the following product for assumed retirement ages 55 through 65; (i) the applicable age times (ii) the assumed rate of retirement at the applicable age times (iii) the number of expected employees at the applicable age, where one employee is assumed to exist at age 55 and is then assumed to retire in accordance with the rate shown above.

Terminated vested participants are assumed to retire at their normal retirement date.

Disability Rates

None.

Compensation Increases

Not applicable.

Plan Name: Fallon Clinic, Inc. Account Balance Pension Plan
EIN / PN: 04-2472266 / 001
Plan Sponsor: Fallon Clinic, Inc.
Valuation Date: October 1, 2009

SCHEDULE SB ATTACHMENTS

Future Increases in Maximum Benefits and Plan Compensation Limitations

Accrued benefits projected to be paid in future years are limited to the maximum presently allowed under IRC §415. Plan compensation is limited to the maximum presently allowed under IRC §401(a)(17). No provision is made for future increases in the maximum annual benefit or compensation limit.

Representative Termination Rates not Due to Disability, Retirement, or Mortality

Age	Probability of Withdrawal
25	9.0%
30	8.0
35	7.0
40	6.0
45	5.0
50	4.0
55	0.0

Additional withdrawal during the first four years of employment:

Years of Service	Probability of Withdrawal
Less than 1	20.0%
At least 1, less than 2	15.0%
At least 2, less than 3	10.0%
At least 3, less than 4	5.0%

Form of Payment

All active participants are assumed to elect the lump sum form of payment. Terminated vested participants who terminated prior to July 22, 1997 are assumed to receive the normal form of payment for single participants and terminated vested participants who terminated on or after July 22, 1997 are assumed to elect the lump sum form of payment.

Marriage

All eligible participants are assumed to be married and male spouses are assumed to be 3 years older than female spouses.

Plan Name: Fallon Clinic, Inc. Account Balance Pension Plan
EIN / PN: 04-2472266 / 001
Plan Sponsor: Fallon Clinic, Inc.
Valuation Date: October 1, 2009

SCHEDULE SB ATTACHMENTS

Employees

It was assumed there will be no new or rehired employees.

Asset Method

Under this method, the valuation assets are equal to the average of three values (all determined without regard to receivable contributions), the result increased by the discounted present value of contributions expected to be made after the valuation date based on the prior plan year PPA effective interest rate. This amount is then subject to a 10% corridor around the market value of assets (including the discounted present value of receivable contributions) as of the valuation date. The three values used to develop the average value are: the market value of assets as of the current valuation date, the adjusted market value of assets as of the prior valuation date and the adjusted market value of assets as of the second prior valuation date. The adjusted market value as of a relevant valuation date is equal to the market value of assets as of the prior valuation date increased by actual plan contributions and assumed return on plan assets and decreased by actual plan disbursements after that date until the current valuation date. The assumed rate of return on plan assets for the prior plan year (pursuant to IRS Notice 2009-22) was 6.58%, which is the lesser of the anticipated rate of return on assets for the plan year, equal to 8.00%, and the applicable limitation for the plan year, equal to 6.58%. The assumed rate of return on plan assets for the second prior plan year (pursuant to IRS Notice 2009-22) was 6.40%, which is the lesser of the anticipated rate of return on assets for the plan year, equal to 8.00%, and the applicable limitation for the plan year, equal to 6.40%. The algebraically equivalent development of this method (pursuant to IRS Notice 2009-22) is shown in Section 2.4. Because expected investment returns under this method are limited under WRERA, over time it is more likely to produce an actuarial value that is expected to be less than the market value of assets.

Participant Data

Employee data was supplied by the employer electronically as of the census date.

Tax Policy

The actuarial valuation performed for the plan year ending September 30, 2010 is used to determine the maximum deductible contribution for the tax year ending September 30, 2010.

Benefits not Included in Valuation

We believe all significant Plan provisions are reflected in this valuation.

Plan Name: Fallon Clinic, Inc. Account Balance Pension Plan
EIN / PN: 04-2472266 / 001
Plan Sponsor: Fallon Clinic, Inc.
Valuation Date: October 1, 2009

SCHEDULE SB ATTACHMENTS

Nature of Actuarial Calculations

The results documented in this report are estimates based on data that may be imperfect and on assumptions about future events. Certain plan provisions may be approximated or deemed insignificant and therefore are not valued. Assumptions may be made about participant data or other factors. Reasonable efforts were made in this valuation to ensure that items that are significant in the context of the actuarial liabilities or costs are treated appropriately, and not excluded or included inappropriately.

A range of results, different from those presented in this report could be considered reasonable. The numbers are not rounded, but this is for convenience only and should not imply precision, which is not inherent in actuarial calculations. Certain percentages determined in this report, such as the Funding Target Attainment Percentage, are truncated to be consistent with the instructions for Schedule SB of the Form 5500.

The assumptions selected for this valuation other than those prescribed by law, generally reflect long-term average expectations. If overall future plan experience is less favorable than assumed, the relative level of plan costs or contribution requirements determined in this valuation will likely increase in future valuations. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for the measurements (such as the end of an amortization period); and changes in plan provisions or applicable law. It is beyond the scope of this actuarial valuation to analyze the potential range of future pension contributions, but we can do so upon request.

Plan Name: Fallon Clinic, Inc. Account Balance Pension Plan
EIN / PN: 04-2472266 / 001
Plan Sponsor: Fallon Clinic, Inc.
Valuation Date: October 1, 2009

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 25 Change in Method

In addition to the required updates to the interest rates and mortality tables, the following method change was made as part of this valuation:

- The amount included this year for plan-related expenses is \$ 553,608. The Worker, Retiree, and Employer Recovery Act of 2008 (WRERA) includes a technical corrections provision requiring target normal cost to include the amount of plan-related expenses expected to be paid from plan assets during the year.
- The valuation software used to produce the actuarial information submitted on this schedule has been refined to reflect evolving understanding of PPA requirements, and such modifications may be considered to be a method change. The percentage changes in funding target, target normal cost and plan assets due to the refinements in the software are each less than 2% (disregarding the effects of any changes that are automatically approved under final IRC 430 regulations), and the modifications to the software were designed to produce results no less accurate than the results produced by the software prior to the change. Therefore the change in funding method due to a change in valuation software receives automatic approval under IRS Announcement 2010-3.

Plan Name: Fallon Clinic, Inc. Account Balance Pension Plan
EIN / PN: 04-2472266 / 001
Plan Sponsor: Fallon Clinic, Inc.
Valuation Date: October 1, 2009

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Summary of Plan Provisions

Plan Sponsor

Fallon Clinic, Inc.

Plan

Fallon Clinic, Inc. Account Balance Pension Plan

Effective Date

December 1, 1970

Most Recent Plan Changes

January 1, 1998: Plan formula was changed to a cash balance formula with starting balances established October 1, 1997.

October 1, 2000: Plan was amended to improve vesting schedule and to allow per diem employees to participate in the plan.

October 1, 2002: Plan was amended to reflect increased Plan compensation and benefit limits as allowed under the Economic Growth and Tax Relief Reconciliation Act of 2001 ("EGTRRA").

March 28, 2005: Plan was restated.

October 1, 2005: Plan was amended to allow retroactive annuity starting dates in certain situations and certain conforming amendments.

October 1, 2008: Plan was amended to change to 3 year cliff vesting.

September 30, 2009: Plan was amended to close participation and freeze benefit accruals.

Plan Year

The twelve-month period ending September 30.

Plan Name: Fallon Clinic, Inc. Account Balance Pension Plan
EIN / PN: 04-2472266 / 001
Plan Sponsor: Fallon Clinic, Inc.
Valuation Date: October 1, 2009

SCHEDULE SB ATTACHMENTS

Coverage and Participation

Employment Classification: Effective October 1, 2000, all employees except named physicians.

Plan Entry: The October 1 coincident with or next following the completion of six months of employment and at least 1,000 hours of service. The plan was closed to new participants effective September 30, 2009.

Credited Service

1,000 or more hours of service during a plan year commencing at hire date.

Vesting Service

1,000 or more hours of service during a plan year commencing at plan participation date.

Accrued Benefits

Formula: As of October 1, 1997 an initial cash balance was established equal to the lump sum value of the accrued benefit (the greater of Minimum Formulas 1 or 2).

For each subsequent plan year, the cash balance is increased with interest based on the 30-year Treasury rate for the September prior to the beginning of the plan year and with an end of the year contribution credit. The contribution credit will apply under any of the following conditions during a plan year prior to October 1, 2009:

- (a) 1000 hours of service are earned,
- (b) death, disability or reach normal retirement date, or
- (c) transferred to noncovered employment.

The amount of the contribution credit is a percentage of Earnings:

<u>Age + Service On October 1</u>	<u>Percentage</u>
Less than 40	3.0%
40-44	3.5
45-49	4.0
50-54	4.5
55-59	5.0
60-64	5.5
65-69	6.0
70-74	7.0
75 or more	8.0

No contribution credit shall be credited with respect to a plan year that begins on or after October 1, 2009.

Plan Name: Fallon Clinic, Inc. Account Balance Pension Plan
EIN / PN: 04-2472266 / 001
Plan Sponsor: Fallon Clinic, Inc.
Valuation Date: October 1, 2009

SCHEDULE SB ATTACHMENTS

Accrued Benefits (cont'd)

Minimum Formula 1: This applies only for employees who became participants before January 1, 1998.

1% of Average Earnings plus 0.65% of Average Earnings in excess of \$10,000, the result multiplied by projected Credited Service (maximum 30 years) multiplied by Participation Service at the earlier of employment termination and December 31, 2000 divided by projected Participation Service.

Minimum Formula 2: This applies only for employees who (a) became participants on or prior to December 1, 1985 and (b) have projected Participation Service of fewer than 24 years.

Formula is $[(a) + ((b) \times (c))] \times (d)$, where:

- (a) 24% of Average Earnings
- (b) 30% of Average Earnings in excess of the Break Point
- (c) Projected Participation Service (maximum 30) divided by 30; and
- (d) Participation Service at the earlier of employment termination and December 31, 2000 divided by projected Participation Service.

The Break Point is:

Year of Normal Retirement	Break Point
1995 to 1996	\$12,000
1997 to 1998	\$12,600
1999 to 2000	\$13,200
2001 to 2003	\$13,800
2004 to 2006	\$14,400
2007 to 2010	\$15,000
2011 and after	\$15,300

Earnings: Base earnings during the plan year, limited by IRC 401(a)(17).

Average Earnings: The average of the five consecutive years of participation that produce the highest average. For both minimum formulas, average earnings shall not include amounts earned after December 31, 2000.

Normal Retirement Benefit

Normal Retirement Date: The earlier of (a) age 62 with 30 years of Credited Service and (b) age 65 and the 5th anniversary of participation.

Benefit: Benefit is the accrued benefit.

Plan Name: Fallon Clinic, Inc. Account Balance Pension Plan
EIN / PN: 04-2472266 / 001
Plan Sponsor: Fallon Clinic, Inc.
Valuation Date: October 1, 2009

SCHEDULE SB ATTACHMENTS

Late Retirement

Eligibility: Retirement after normal retirement age.

Benefit: Benefit is the greater of the accrued benefit and the accrued benefit at the later of normal retirement and age 65 with actuarial increases.

Vested Deferred Retirement

Eligibility: Any member who terminates his membership in the plan with at least 3 years of Vesting Service shall be vested in a portion of his accrued benefit:

For participants terminating prior to October 1, 2000		For participants terminating on or after October 1, 2000	
Years	Vested %	Years	Vested %
3	20%	3	50%
4	40	4	75
5	60	5	100
6	80		
7	100		

Effective October 1, 2008, the vesting schedule was changed to 100% after 3 years of service.

Active participants are automatically 100% vested at the earlier of normal retirement date or age 65.

Benefit:

Benefit is the accrued benefit if payments commence at normal retirement. Terminated participants may elect commencement one year after termination or later, however the benefit will be actuarially reduced for early commencement.

Death Benefits Before Retirement

Eligibility: The beneficiary of a participant who dies is entitled to a survivor's benefit.

Benefit: The survivor's benefit shall be equal to the lump sum of the accrued benefit if the participant died while actively employed. The survivor's benefit is the lump sum value of the vested benefit if the participant died after employment termination.

Plan Name: Fallon Clinic, Inc. Account Balance Pension Plan
EIN / PN: 04-2472266 / 001
Plan Sponsor: Fallon Clinic, Inc.
Valuation Date: October 1, 2009

SCHEDULE SB ATTACHMENTS

Death After Retirement

There are no benefits paid if a member dies after retirement unless the member has chosen an optional form of payment which provides for payments after his death.

Plan Participants' Contributions

None.

Normal Form of Benefit

The normal form of payment for single participants is the 10-year certain and continuous annuity. The normal form for married participants is an actuarially equivalent joint & 50% survivor annuity.

Changes in Plan Provisions since Last Actuarial Valuation

Effective September 30, 2009, the plan was closed to new participants and benefit accruals were frozen.

Plan Name: Fallon Clinic, Inc. Account Balance Pension Plan
EIN / PN: 04-2472266 / 001
Plan Sponsor: Fallon Clinic, Inc.
Valuation Date: October 1, 2009

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26

Schedule of Active Participant Data for Frozen Cash Balance Plans as of October 1, 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	
	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.
Under 25	0		34	1,492	3		0		0		0		0	
25 - 29	0		78	1,835	30	5,031	1		0		0		0	
30 - 34	0		70	3,251	40	6,988	13		0		0		0	
35 - 39	0		62	4,154	54	10,556	25	18,502	8		0		0	
40 - 44	0		70	4,916	53	14,477	35	31,400	29	31,623	9		0	
45 - 49	0		74	4,622	71	18,284	39	25,822	53	61,473	29	66,137	5	
50 - 54	0		43	4,883	64	17,944	45	30,668	49	71,698	41	123,644	7	
55 - 59	0		31	8,561	42	20,728	33	32,550	57	67,742	42	145,393	13	
60 - 64	0		14		24	22,715	19		26	52,247	33	108,233	10	
65 - 69	0		3		9		4		9		11		2	
70 & Over	0		1		3		3		1		1		0	

Plan Name: Fallon Clinic, Inc. Account Balance Pension Plan
 EIN / PN: 04-2472266 / 001
 Plan Sponsor: Fallon Clinic, Inc.
 Valuation Date: October 1, 2009

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 22
Description of Weighted Average Retirement Age
as of October 1, 2009

The average retirement age for Line 6b was calculated by creating a hypothetical life table with retirement as the only decrement, and then computing the average retirement age for the table, as illustrated below:

(a)	(b)	(c)	(d)
<u>Age</u>	<u>Rates of Retirement</u>	<u>% Retiring</u>	<u>Weighted Ages (a)x(c)</u>
55	3.00%	3.00%	1.6500
56	3.00%	2.91%	1.6296
57	3.00%	2.82%	1.6089
58	3.00%	2.74%	1.5881
59	3.00%	2.66%	1.5670
60	3.00%	2.58%	1.5457
61	3.00%	2.50%	1.5243
62	20.00%	16.16%	10.0190
63	10.00%	6.46%	4.0722
64	10.00%	5.82%	3.7232
65	100.00%	52.36%	34.0322
Weighted Average Retirement Age (<i>Sum of Column (d)</i>)			<u>62.9603</u>

Plan Name: Fallon Clinic, Inc. Account Balance Pension Plan
EIN / PN: 04-2472266 / 001
Plan Sponsor: Fallon Clinic, Inc.
Valuation Date: October 1, 2009

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 32 Schedule of Amortization Bases as of October 1, 2009

Type of Base	Date Established	Initial Amount	Remaining Amortization Period (Years)	Outstanding Balance	Amortization Payment
1 Shortfall	10/01/2009	6,994,382	7	6,994,382	1,175,021
2 Shortfall	10/01/2008	1,822,371	6	1,607,932	304,805
Total				8,602,314	1,479,826

Plan Name: Fallon Clinic, Inc. Account Balance Pension Plan
EIN / PN: 04-2472266 / 001
Plan Sponsor: Fallon Clinic, Inc.
Valuation Date: October 1, 2009

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <hr/> <small>Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</small>	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.	<small>OMB No. 1210-0110</small> 2009 This Form is Open to Public Inspection
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For calendar plan year 2009 or fiscal plan year beginning 10/01/2009 and ending 09/30/2010

▶ **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 Fallon Clinic, Inc. Account Balance Pension Plan	B Three-digit plan number (PN) ▶ <u>001</u> D Employer Identification Number (EIN) 04-2472266
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Fallon Clinic, Inc.	
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B ☐ Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500	

Part I Basic Information

1 Enter the valuation date: Month <u>10</u> Day <u>1</u> Year <u>2009</u>			
2 Assets:			
a Market value	2a		73,480,244
b Actuarial value	2b		80,828,268
3 Funding target/participant count breakdown		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment	3a	167	11,337,336
b For terminated vested participants	3b	1,247	26,591,320
c For active participants:			
(1) Non-vested benefits	3c(1)		210,437
(2) Vested benefits	3c(2)		56,999,824
(3) Total active	3c(3)	1,569	57,210,261
d Total	3d	2,983	95,138,917
4 If the plan is at-risk, check the box and complete items (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		6.52 %
6 Target normal cost	6		553,608

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	Anne T. Ehlert <i>A/E</i> Signature of actuary Anne T. Ehlert Type or print name of actuary Towers Watson Delaware Inc. Firm name 800 Boylston Street Boston MA 02199-8103 Address of the firm	<u>July 13, 2011</u> Date 11-04396 Most recent enrollment number (617) 638-3760 Telephone number (including area code)
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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 <u>1.84</u> %		
11 Prior year's excess contributions to be added to prefunding balance:		
a Excess contributions (Item 38 from prior year)		3,045
b Interest on (a) using prior year's effective rate of <u>6.13</u> %		187
c Total available at beginning of current plan year to add to prefunding balance		3,232
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	84.95 %
15 Adjusted funding target attainment percentage	15	84.95 %
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	90.02 %
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
01/15/2010	500,000				
04/15/2010	500,000				
07/14/2010	500,000				
10/15/2010	500,000				
12/15/2010	4,000,000				
06/14/2011	970,000				
Totals ▶			18(b)	6,970,000	18(c) 0

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	
b Contributions made to avoid restrictions adjusted to valuation date	19b	
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	6,495,793

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year?	☒ Yes ☐ No
b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☒ Yes ☐ 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
0	0	0	0

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

21 Discount rate:			
a Segment rates:	1st segment: 4.92 %	2nd segment: 6.71 %	3rd segment: 6.80 %
			☐ N/A, full yield curve used
b Applicable month (enter code)			21b 0
22 Weighted average retirement age			22 63
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute			

Part VI Miscellaneous items

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

Part VII Reconciliation of unpaid minimum required contributions for prior years

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

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions)	31	553,608
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	8,602,314	1,479,826
b Waiver amortization installment		
33 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	33	
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b - item 33)	34	2,033,434
35 Balances used to offset funding requirement	Carryover balance	Prefunding balance
	0	0
36 Additional cash requirement (item 34 minus item 35)	36	2,033,434
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)	37	6,495,793
38 Interest-adjusted excess contributions for current year (see instructions)	38	4,462,359
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37)	39	0
40 Unpaid minimum required contribution for all years	40	0

FINANCIAL STATEMENTS AND
SUPPLEMENTAL SCHEDULES

Fallon Clinic, Inc. Account Balance Pension Plan
Years Ended September 30, 2010 and 2009
With Report of Independent Auditors

Ernst & Young LLP



Fallon Clinic, Inc. Account Balance Pension Plan

Financial Statements and Supplemental Schedules

Years Ended September 30, 2010 and 2009

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Report of Independent Auditors

The Board of Trustees and Participants
Fallon Clinic, Inc. Account Balance Pension Plan

We were engaged to audit the accompanying statements of net assets available for benefits of the Fallon Clinic, Inc. Account Balance Pension Plan as of September 30, 2010 and 2009, and the related statements of changes in net assets available for benefits for the years then ended and the supplemental schedules of assets (held at end of year) as of September 30, 2010, and reportable transactions for the year then ended. These financial statements and supplemental schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the investment information summarized in Note 4, which was certified by State Street Bank and Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedules. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee, as of and for the years ended September 30, 2010 and 2009, that the information provided to the plan administrator by the trustee is complete and accurate.

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

Ernst & Young LLP

July 15, 2011

Fallon Clinic, Inc. Account Balance Pension Plan

Statements of Net Assets Available for Benefits

	September 30	
	2010	2009
Assets		
Cash	\$ (36,207)	\$ (4,934)
Investments, at fair value	75,959,020	68,460,638
Receivables:		
Employer contribution	5,470,000	5,092,987
Receivable for investments sold	175,741	137,813
Net assets available for benefits	<u>\$ 81,568,554</u>	<u>\$ 73,686,504</u>

See accompanying notes.

Fallon Clinic, Inc. Account Balance Pension Plan

Statements of Changes in Net Assets Available for Benefits

	Year Ended September 30	
	2010	2009
Additions		
Net investment income (loss):		
Net appreciation (depreciation) in fair value of investments	\$ 6,493,095	\$ (2,975,756)
Dividend income	1,072,532	1,828,132
Interest	—	1,328
Other income	19,120	32,436
	<u>7,584,747</u>	<u>(1,113,860)</u>
Contributions:		
Employer	6,970,283	5,092,987
Total additions, including net investment loss	<u>14,555,030</u>	<u>3,979,127</u>
Deductions		
Benefits paid to participants	5,980,370	5,039,530
Administrative expenses	692,610	740,824
Total deductions	<u>6,672,980</u>	<u>5,780,354</u>
Net increase (decrease)	<u>7,882,050</u>	<u>(1,801,227)</u>
Net assets available for benefits at beginning of year	<u>73,686,504</u>	<u>75,487,731</u>
Net assets available for benefits at end of year	<u><u>\$ 81,568,554</u></u>	<u><u>\$ 73,686,504</u></u>

See accompanying notes.

Fallon Clinic, Inc. Account Balance Pension Plan

Notes to Financial Statements

September 30, 2010

1. Description of Plan

The following description of the Fallon Clinic, Inc. Account Balance Pension Plan (the Plan) provides general information about the Plan's provisions. Fallon Clinic, Inc. (the Company) is the plan sponsor. Participants should refer to the plan document and summary plan description for a more complete description of the Plan's provisions, copies of which may be obtained from the plan sponsor.

General

The Plan is a cash balance defined benefit pension plan for eligible participants of the Company, which reports accrued benefits to participants in the form of hypothetical, individual account balances. Account balances are increased each year by a percentage of the employee's compensation, plus an investment credit rate determined annually based on the sum of the participant's completed age and vesting years as of October 1 of the Plan year. The Plan provides for retirement, death, and disability benefits and is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Information about the Plan agreement, the vesting and benefit provisions, and the Pension Benefit Guaranty Corporation (PBGC)'s benefit guarantee is contained in the summary plan description. Copies of which may be obtained from the plan sponsor.

Effective October 1, 2009, the Plan was frozen.

Eligibility and Vesting

An eligible employee becomes a participant in the Plan upon employment with the Company for at least six months. Participants vest in their accrued benefits at graduated rates, with complete vesting upon completion of five years of vesting service. Effective October 1, 2008, the vesting schedule was changed to 3 year cliff vesting.

Benefits

Benefits are stated as an account balance. Normal retirement benefits are provided under the Plan at age 65 with five years of participation service. Early retirement benefits are provided under the Plan at age 55 with ten years of participation service. The Plan provides for payments to participants and their beneficiaries in the form of a life annuity, a ten-year certain and life annuity, a joint and survivor annuity, or a lump sum.

Fallon Clinic, Inc. Account Balance Pension Plan

Notes to Financial Statements (continued)

1. Description of Plan (continued)

In addition, the Plan provides for a preretirement survivor annuity to be paid to the spouse or other designated beneficiary of a participant in the event of death prior to retirement age.

Upon departure from the Plan prior to early retirement date due to disability or termination, participants will receive their adjusted accrued benefit as of the date of their disability or termination.

Contributions and Funding Policy

The employer's contributions to the Plan are actuarially determined. The Company has agreed to contribute such amounts as are necessary to provide assets sufficient to meet the benefits to be paid to participants and satisfy the ERISA minimum funding requirements. The Plan has met the ERISA minimum funding requirements.

Plan Termination

Should the Plan terminate at some future time, its net assets will generally not be available on a pro rata basis to provide participants' benefits. Whether a particular participant's accumulated plan benefits will be paid depends on both the priority of those benefits and the level of benefits guaranteed by the Pension Benefit Guaranty Corporation (PBGC) at that time. Some benefits may be fully or partially provided for by the then-existing assets and the PBGC guaranty, while other benefits may not be provided for at all.

2. Summary of Accounting Policies

Basis of Accounting

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Fallon Clinic, Inc. Account Balance Pension Plan

Notes to Financial Statements (continued)

2. Summary of Accounting Policies (continued)

Investment Valuation and Income Recognition

Investments held by the Plan are stated at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). See Note 4 for further discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded as earned on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Administrative Expenses

Substantially all administrative expenses are paid by Plan Sponsor.

Payment of Benefits

Benefit payments to participants are recorded when paid.

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits (see Note 5) represent the actuarial present value of estimated future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to services rendered by the employees to the valuation date. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits are based on a formula which includes compensation, as defined in the Plan documents, and years of credited service.

Benefits payable under all circumstances – retirement, death, disability, and termination of employment – are included, to the extent they are deemed attributable to employee service rendered to the valuation date.

Fallon Clinic, Inc. Account Balance Pension Plan

Notes to Financial Statements (continued)

2. Summary of Accounting Policies (continued)

New Accounting Pronouncement

In January 2010, the FASB issued Accounting Standards Update 2010-06, *Improving Disclosures about Fair Value Measurements*, (ASU 2010-06). ASU 2010-06 amended ASC 820 to clarify certain existing fair value disclosures and require a number of additional disclosures. The guidance in ASU 2010-06 clarified that disclosures should be presented separately for each “class” of assets and liabilities measured at fair value and provided guidance on how to determine the appropriate classes of assets and liabilities to be presented. ASU 2010-06 also clarified the requirement for entities to disclose information about both the valuation techniques and inputs used in estimating Level 2 and Level 3 fair value measurements. In addition, ASU 2010-06 introduced new requirements to disclose the amounts (on a gross basis) and reasons for any significant transfers between Levels 1, 2 and 3 of the fair value hierarchy and present information regarding the purchases, sales, issuances and settlements of Level 3 assets and liabilities on a gross basis. With the exception of the requirement to present changes in Level 3 measurements on a gross basis, which is delayed until 2011, the guidance in ASU 2010-06 becomes effective for reporting periods beginning after December 15, 2009. Plan management is currently evaluating the effect that the provisions of ASU 2010-06 will have on the Plan’s Financial Statements.

In May 2011, the FASB issued Accounting Standards Update 2011-04, *Amendments to Achieve Common Fair Value Measurements and Disclosure Requirements in U.S. GAAP and IFRSs*, (ASU 2011-04). ASU 2011-04 amended ASC 820, Fair Value Measurements and Disclosures, to converge the fair value measurement guidance in US generally accepted accounting principles (GAAP) and International Financial Reporting Standards (IFRSs). Some of the amendments clarify the application of existing fair value measurement requirements, while other amendments change a particular principle in ASC 820. In addition, ASU 2011-04 requires additional fair value disclosures. The amendments are to be applied prospectively and are effective for annual periods beginning after December 15, 2011. Plan management is currently evaluating the effect that the provisions of ASU 2011-04 will have on the Plan’s financial statements.

Subsequent Events

Management evaluated subsequent events for the Plan through July 15, 2011, the date the financial statements were available to be issued.

Fallon Clinic, Inc. Account Balance Pension Plan

Notes to Financial Statements (continued)

3. Investments

All investment information for the Plan disclosed in the accompanying financial statements and supplemental schedules, including investments held at September 30, 2010 and 2009, and net appreciation (depreciation) in fair value of investments, interest and dividends for the years then ended, was obtained or derived from information provided to the plan administrator, and certified as complete and accurate by State Street Bank and Trust Company, the trustee of the Plan.

State Street Bank and Trust Company holds the Plan's investments, and the Fallon Clinic, Inc. Board of Directors, administrator of the Plan, appoints a Pension Committee to monitor and control investments.

The fair value of investments as of September 30, 2010 and 2009 consists of the following:

	September 30	
	2010	2009
Mutual funds – equity	\$ 30,853,216	\$ 30,464,253
Mutual funds – fixed income	17,812,212	11,983,457
Alternative investments	27,291,982	26,012,661
Money market funds	1,610	267
	<u>\$ 75,959,020</u>	<u>\$ 68,460,638</u>

During the years ended September 30, 2010 and 2009, the Plan's investments, including investments purchased, sold, as well as held during the year, appreciated (depreciated) in fair value as follows:

	Year Ended September 30	
	2010	2009
Mutual funds – equity	\$ 2,955,167	\$ 1,887,487
Mutual funds – fixed income	738,520	(667,286)
Alternative investments	2,799,408	(66,345)
Common stock	–	(1,648,471)
103-12 investment entity	–	(2,481,141)
Money market funds	–	–
	<u>\$6,493,095</u>	<u>\$ (2,975,756)</u>

Fallon Clinic, Inc. Account Balance Pension Plan

Notes to Financial Statements (continued)

3. Investments (continued)

The fair value of individual investments that represents 5% or more of net assets available for benefits are as follows:

	September 30	
	2010	2009
Vanguard Total Stock Market Index Institutional Fund	\$13,347,800	\$ 14,994,889
Artisan International Fund	6,628,740	6,402,358
Eaton Vance Structured Emerging Market	6,393,882	5,339,869
The Weatherlow Offshore Fund	6,227,400	6,453,100
Vanguard Total Bond Market Index Fund	6,080,809	*
PIMCO Funds – Total Return Fund	6,063,653	*
Sanderson International Value Fund	5,935,158	5,409,709
Archstone Partners LP	5,827,232	6,200,825
AEW Global Property Securities Fund	5,518,661	4,568,086

* Amount not greater than 5%

4. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., an exit price). The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described below:

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

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

Level 2 inputs include the following:

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

Fallon Clinic, Inc. Account Balance Pension Plan

Notes to Financial Statements (continued)

4. Fair Value Measurements (continued)

- observable inputs other than quoted prices that are used in the valuation of the asset or liabilities (e.g., interest rate and yield curve quotes at commonly quoted intervals)
- inputs that are derived principally from or corroborated by observable market data by correlation or other means

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

The level in the fair value hierarchy within which the fair value measurement is classified is based on the lowest level of any input that is significant to the fair value measurement in its entirety. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for major categories of assets measured at fair value by the Plan.

Investments in mutual funds are valued at the net asset value of shares held by the Plan at year end as quoted in the active market.

Investments in mutual funds that are common/collective trust funds are valued at fair value based on the net asset value on the last business day of the Plan year, where the net asset values are based on the fair value of the underlying assets of each fund. There are no redemption restrictions associated with the common/collective trust funds.

Investments in securities traded on national exchanges are stated at fair value using quoted market prices on the last business day of the Plan's year end.

Investments in alternative investments are valued at fair value as determined by the investment managers, and represent the Plan's proportionate share of net asset value of the alternative investments. Redemptions of these investments can occur either monthly or quarterly and are subject to notice periods ranging anywhere from six to 65 days. The Plan has no unfunded commitments as of September 30, 2010 relating to the alternative investments.

Fallon Clinic, Inc. Account Balance Pension Plan

Notes to Financial Statements (continued)

4. Fair Value Measurements (continued)

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while 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 measured at fair value as of September 30, 2010:

	Total	Assets at Fair Value as of September 30, 2010		
		Level 1	Level 2	Level 3
Mutual Funds:				
Equity Investments	\$ 30,853,216	\$ 15,509,759	\$ 15,343,457	\$ —
Bond Investments	17,812,212	17,812,212	—	—
Total Mutual funds	48,665,428	33,321,971	15,343,457	—
Alternative Investments	27,291,982	—	—	27,291,982
Money Market funds	1,610	1,610	—	—
Total	\$ 75,959,020	\$ 33,323,581	\$ 15,343,457	\$ 27,291,982

A summary of changes in the fair value of the Plan's Level 3 investments at September 30, 2010 is as follows:

	Beginning Fair Value	Purchases, Sales, Issuances, and Settlements (Net)	Ending Fair Value
Alternative Investments	\$ 26,012,661	\$ 1,279,321	\$ 27,291,982

Fallon Clinic, Inc. Account Balance Pension Plan

Notes to Financial Statements (continued)

5. Accumulated Plan Benefits

The actuarial present value of accumulated plan benefits is determined by applying actuarial assumptions to adjust the accumulated plan benefits earned by the participants to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as death, disability, withdrawal or retirement) between the valuation date and the expected date of payment.

The accumulated plan benefit information as of September 30, 2010 is as follows:

Actuarial present value of accumulated plan benefits:

Vested benefits:	
Participants currently receiving payments	\$ 10,106,019
Other participants	76,167,036
Total vested benefits	<u>86,273,055</u>
Non-vested benefits	156,972
	<u><u>\$ 86,430,027</u></u>

The changes in accumulated plan benefits for the period October 1, 2009 through September 30, 2010:

Actuarial present value of accumulated plan benefits at September 30, 2009	\$ 85,697,803
Increases (decreases) in the actuarial present value of accumulated plan benefits:	
Increase due to decrease in the discount period	6,526,049
Increase due to benefits accrued during the period	3,835,953
Decrease due to benefits distributed during the period	(5,039,530)
Decrease due to actuarial gain during the period	(471,953)
Change of assumptions	<u>(4,118,295)</u>
Net increase in the actuarial present value of accumulated plan benefits	<u>732,224</u>
Actuarial present value of accumulated plan benefits at September 30, 2010	<u><u>\$ 86,430,027</u></u>

Fallon Clinic, Inc. Account Balance Pension Plan

Notes to Financial Statements (continued)

5. Accumulated Plan Benefits (continued)

Significant assumptions underlying the actuarial valuation are as follows:

Interest	8.50%
Mortality	RP 2000 generation tables for males and females
Retirement	At graduated rates between 55 – 65

These actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

6. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market volatility, liquidity 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 those changes could materially affect the amounts reported in the statements of net assets available for benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimation and assumptions processes, it is at least reasonably possible that changes in these estimates and assumptions in the near term could materially affect the amounts reported and disclosed in the financial statements.

7. Income Tax Status

The Plan has received a determination letter from the Internal Revenue Service (IRS), dated September 11, 2008, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (Code), and therefore, the related trust is exempt from taxation. Subsequent to this determination by the IRS, the Plan was amended. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The plan administrator believes the Plan is being operated in compliance with the applicable requirements of the Code, and therefore, believes that the Plan, as amended, is qualified and the related trust is tax exempt.

Fallon Clinic, Inc. Account Balance Pension Plan

Notes to Financial Statements (continued)

7. Income Tax Status (continued)

Accounting principles generally accepted in the United States require plan management to evaluate uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of September 30, 2010, there are no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2007.

Supplemental Schedules

Fallon Clinic, Inc. Account Balance Pension Plan

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

EIN 04-2472266 Plan #001

September 30, 2010

Identity of Issuer, Borrower, Lessor, or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Par, or Maturity Value	Cost	Current Value
<i>Mutual Funds - Equity:</i>			
Vanguard Total Stock Market Index Institutional Fund	469,662 shares	\$ 13,284,985	\$ 13,347,800
Artisan International Fund	319,920 shares	7,054,672	6,628,740
Artisan Mid Cap Fund	76,093 shares	1,873,156	2,320,835
Eaton Vance Structured Emerging Market Managers AMG Systematic Mid Cap Value Fund	424,842 shares	6,500,966	6,393,882
	213,632 shares	2,327,631	2,161,959
		31,041,410	30,853,216
<i>Mutual Funds – Fixed Income:</i>			
PIMCO Funds – Total Return Fund	522,729 shares	5,794,520	6,063,653
Vanguard Intermediate Term Treasury Fund Admiral Shares	331,658 shares	3,931,160	3,963,315
Vanguard Bond Market Index Fund	558,897 shares	5,758,920	6,080,809
Vanguard Inflation Protected Securities Fund	65,379 shares	1,548,528	1,704,435
		17,033,128	17,812,212
<i>Alternative Investments:</i>			
The Weatherlow Offshore Fund	6,224 shares	6,223,949	6,227,400
Sanderson International Value Fund	324,728 shares	4,444,077	5,935,159
Wellington Diversified Inflation Hedges Portfolio	263,111 shares	5,074,829	3,783,530
AEW Global Property Securities Fund	3,475,000 shares	3,475,000	5,518,661
Archstone Partners LP	35,386 shares	6,174,083	5,827,232
		25,391,938	27,291,982
<i>Money Market Fund:</i>			
State Street Bank & Trust Short Term Investment Fund	1,610 shares	1,610	1,610
		<u>\$ 73,468,086</u>	<u>\$ 75,959,020</u>

Fallon Clinic, Inc. Account Balance Pension Plan

Schedule H, Line 4j – Schedule of Reportable Transactions

EIN 04-2472266 Plan #001

Year Ended September 30, 2010

Identity of Party Involved	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain (Loss)
<u>Category (iii) – Series of transactions in excess of 5% of net assets at beginning of year</u>					
PIMCO Funds – Total Return Fund	\$ 8,450,152	\$ 6,330,756	\$ 6,124,995	\$ 14,780,908	\$ 205,761

There were no category (i), (ii) or (iv) reportable transactions for the year ended September 30, 2010.

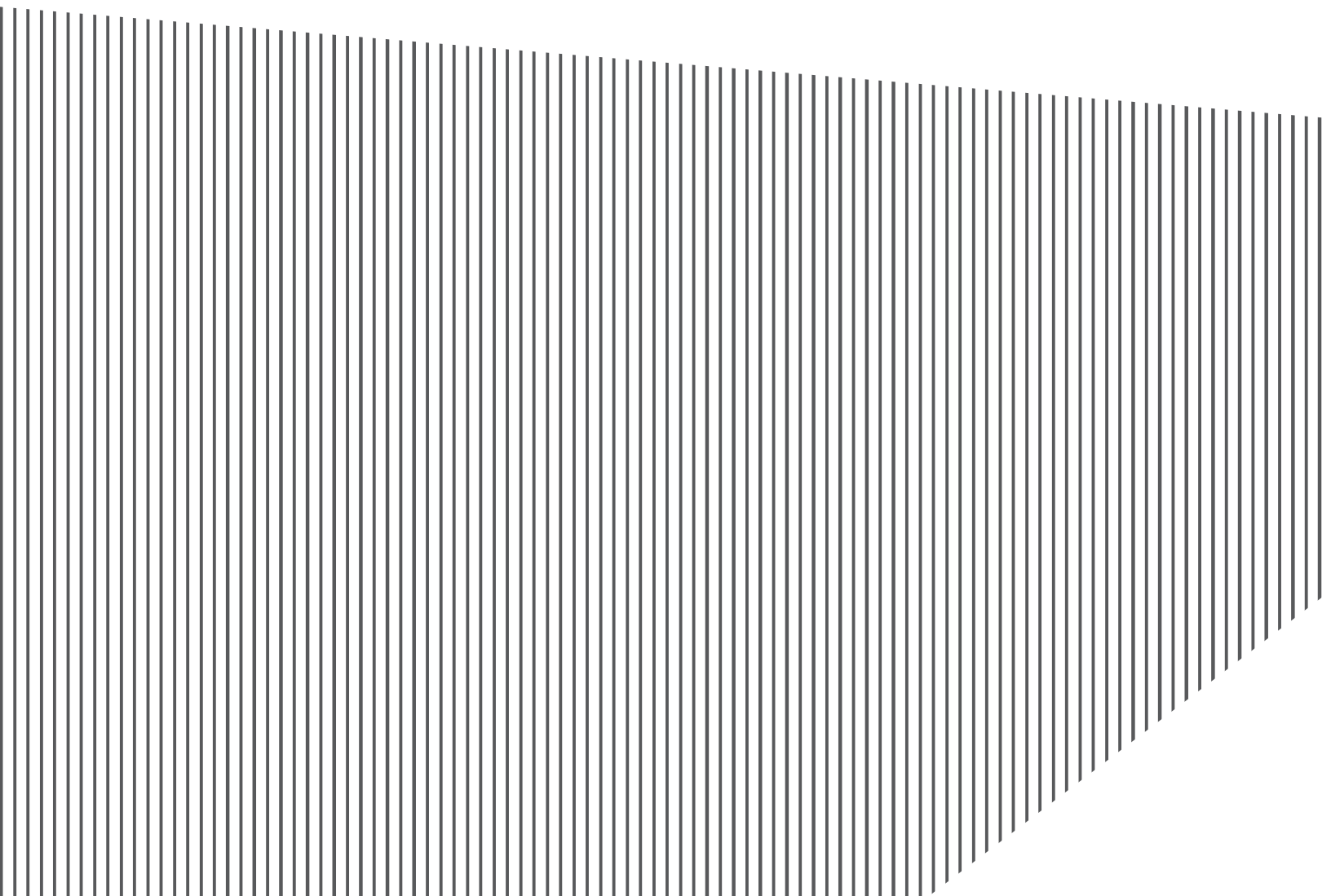
* Indicates party-in-interest to the Plan

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Fallon Clinic, Inc. Account Balance Pension Plan

Schedule H, Line 4j – Schedule of Reportable Transactions

EIN 04-2472266 Plan #001

Year Ended September 30, 2010

Identity of Party Involved	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain (Loss)
<u>Category (iii) – Series of transactions in excess of 5% of net assets at beginning of year</u>					
PIMCO Funds – Total Return Fund	\$ 8,450,152	\$ 6,330,756	\$ 6,124,995	\$ 14,780,908	\$ 205,761

There were no category (i), (ii) or (iv) reportable transactions for the year ended September 30, 2010.

* Indicates party-in-interest to the Plan