Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

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

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

OMB Nos. 1210-0110
1210-0089

2010

This Form is Open to Public Inspection

Part I Annual Report Identification Information

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

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

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

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

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

Part II Basic Plan Information—enter all requested information

1a Name of plan
NORTHEAST ORTHOPAEDICS LLP 401(K) PROFIT SHARING PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 03/01/1999

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

EVERETT ROAD HEALTH PARK 121
ALBANY, NY 12205

EVERETT ROAD HEALTH PARK 121
ALBANY, NY 12205

2b Employer Identification Number (EIN)
14-1777794

2c Sponsor's telephone number
518-453-9088

2d Business code (see instructions)
621111

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/04/2011	DEBRA PICCOLO
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")
NORTHEAST ORTHOPAEDICS LLP

EVERETT ROAD HEALTH PARK 121
ALBANY, NY 12205

3b Administrator's EIN
14-1777794

3c Administrator's telephone number
518-453-9088

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

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	147
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**	162
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	18
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	180
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	1
f	Total. Add lines **6d** and **6e**	**6f**	181
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	157
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	7
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

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

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

9a Plan funding arrangement (check all that apply)

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

9b Plan benefit arrangement (check all that apply)

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

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

a Pension Schedules

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

b General Schedules

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

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2010** **This Form is Open to Public Inspection.**

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

A Name of plan	**B** Three-digit plan number (PN) ▶	
NORTHEAST ORTHOPAEDICS LLP 401(K) PROFIT SHARING PLAN		001
C Plan sponsor's name as shown on line 2a of Form 5500	**D** Employer Identification Number (EIN)	
NORTHEAST ORTHOPAEDICS LLP	14-1777794	

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

FIDELITY INV. INST. OPS. CO.

04-2647786

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

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

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
64 37 65 60	RECORDKEEPER	1350	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [X] No [ ]

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

AMERIPRISE FINANCIAL SERVICES INC

707 2ND AVE S
MINNEAPOLIS, MN 55402

(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?
61	ADVISOR	0	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [X] No [ ]

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

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

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

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

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

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

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

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

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
FIDELITY INVESTMENTS INSTITUTIONAL	60	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.
CALVERT INCOME A - BOSTON FINANCIAL 04-2526037	0.25%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	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.
COL MAR 21ST CENT A - COLUMBIA MGT 04-2838628	0.25%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	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.
COL/ACORN INTL A - COLUMBIA MGT INV 04-2838628	0.25%

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
FIDELITY INVESTMENTS INSTITUTIONAL	60	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.
COLUMBIA ACORN A - COLUMBIA MGT INV 04-2838628	0.25%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	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.
EATON LG CAP VALUE A - PNC GLOBAL I 04-2871943	0.25%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	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.
EV DIV BUILDER A - PNC GLOBAL INVES 04-2871943	0.25%

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
FIDELITY INVESTMENTS INSTITUTIONAL	60	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.
OPPHMR SMMIDCP VAL A - OPPENHEIMERF 13-2953455	0.25%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
AMERIPRISE FINANCIAL SERVICES INC	61	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.
COL MAR 21ST CENT A - COLUMBIA MGT 04-2838628	$0-<$3M=1.00% $3M-<$50M=0.50% $50M+=0.25%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
AMERIPRISE FINANCIAL SERVICES INC	61	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.
COL/ACORN INTL A - COLUMBIA MANAGEM 04-3156901	$0-<$3M=1.00% $3M-<$50M=0.50% $50M+=0.25%

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
AMERIPRISE FINANCIAL SERVICES INC	61	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.
COLUMBIA ACORN A - COLUMBIA MANAGEM 04-3156901	$0-<$3M=1.00% $3M-<$50M=0.50% $50M+=0.25%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
AMERIPRISE FINANCIAL SERVICES INC	61	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.
OPPHMR SMMIDCP VAL A - OPPENHEIMERF 13-2953455	$5M+=0.25%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE 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

2010

This Form is Open to Public Inspection.

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

A Name of plan
NORTHEAST ORTHOPAEDICS LLP 401(K) PROFIT SHARING PLAN

B Three-digit plan number (PN) ▶ 001

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
NORTHEAST ORTHOPAEDICS LLP

D Employer Identification Number (EIN)
14-1777794

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: FA STABLE VALUE

b Name of sponsor of entity listed in (a): FIDELITY MANAGEMENT TRUST COMPANY

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)
04-3022712-026	C	606553

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)

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

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

2010

This Form is Open to Public Inspection

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

A Name of plan
NORTHEAST ORTHOPAEDICS LLP 401(K) PROFIT SHARING PLAN

B Three-digit plan number (PN) ▶ 001

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

D Employer Identification Number (EIN)
14-1777794

Part I Asset and Liability Statement

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	50111	13798
(2) Participant contributions	1b(2)	9050	11792
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	126639	139002
(9) Value of interest in common/collective trusts	1c(9)	420767	606553
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	8080047	9910476
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	8686614	10681621
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k		
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	8686614	10681621

Part II Income and Expense Statement

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

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	613856	
	(B) Participants	2a(1)(B)	582143	
	(C) Others (including rollovers)	2a(1)(C)	353058	
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		1549057
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)	7119	
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		7119
	(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)	252099	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		252099
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		
(6) Net investment gain (loss) from common/collective trusts	2b(6)		21245
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		914722
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		2744242
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	746889	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		746889
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		988
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	1358	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		1358
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		749235
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		1995007
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

(1) Name: WOJESKI & COMPANY **(2)** EIN: 14-1798364

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

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

Part IV Compliance Questions

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

During the plan year:

		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		500000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n		X	

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

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

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

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

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

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

OMB No. 1210-0110

2010

This Form is Open to Public Inspection.

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

A Name of plan
NORTHEAST ORTHOPAEDICS LLP 401(K) PROFIT SHARING PLAN

B Three-digit plan number (PN) ▶ 001

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

D Employer Identification Number (EIN)
14-1777794

Part I Distributions

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

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

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

EIN(s): 04-6568107

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

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

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

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

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

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

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

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

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

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

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

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

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

Part III Amendments

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

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

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

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

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

NORTHEAST ORTHOPAEDICS LLP
401(K) PROFIT SHARING PLAN

Financial Statements and Supplemental Schedule

December 31, 2010 and 2009

NORTHEAST ORTHOPAEDICS LLP 401(K) PROFIT SHARING PLAN

Financial Statements and Supplemental Schedule

December 31, 2010 and 2009

Independent Auditors' Report 1

Financial Statements

Statements of Net Assets Available for Benefits 2
Statements of Changes in Net Assets Available for Benefits 3
Notes to Financial Statements 4

Supplemental Schedule

Schedule H, Line 4i – Schedule of Assets (Held at End of Year) 13

WOJESKI & COMPANY CPAs, P.C.

75 Troy Road
East Greenbush, New York 12061
518-477-1102 • 518-477-1302 (Fax)
www.wojeskico.com

MEMBER: AICPA, NYSSCPA

INDEPENDENT AUDITORS' REPORT

To the Participants and Administrator of
Northeast Orthopaedics LLP 401(k) Profit Sharing Plan

We were engaged to audit the financial statements of Northeast Orthopaedics LLP 401(k) Profit Sharing Plan (the "Plan") as of December 31, 2010 and 2009, and for the years then ended, and the supplemental schedule as of and for the year ended December 31, 2010, as listed in the accompanying index. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note D, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the year ended December 31, 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 schedule taken as a whole. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Wojeski + Company CPA, P.C.

East Greenbush, New York
August 22, 2011

NORTHEAST ORTHOPAEDICS LLP 401(K) PROFIT SHARING PLAN

Statements of Net Assets Available for Benefits

	December 31, 2010	December 31, 2009
ASSETS		
Investments:		
Registered investment companies	$ 9,910,476	$ 8,080,047
Common collective funds	606,553	420,767
	10,517,029	8,500,814
Receivables:		
Notes receivable from participants	139,002	126,639
Sponsor contributions	13,798	50,111
Participant contributions	11,792	9,050
	164,592	185,800
NET ASSETS AVAILABLE FOR BENEFITS AT FAIR VALUE	10,681,621	8,686,614
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	(11,343)	551
NET ASSETS AVAILABLE FOR BENEFITS	$ 10,670,278	$ 8,687,165

See accompanying notes to financial statements.

NORTHEAST ORTHOPAEDICS LLP 401(K) PROFIT SHARING PLAN

Statements of Changes in Net Assets Available for Benefits

	Year Ended December 31	
	2010	2009
ADDITIONS:		
Additions to net assets attributed to:		
Investment income:		
Net appreciation in fair value of investments	$ 914,723	$ 1,694,942
Interest and dividends	268,568	199,072
	1,183,291	1,894,014
Contributions:		
Employer's	613,856	645,244
Participants'	582,143	553,510
Rollovers	353,058	14,619
	1,549,057	1,213,373
TOTAL ADDITIONS	2,732,348	3,107,387
DEDUCTIONS:		
Deductions from net assets attributed to:		
Payments to withdrawn and retired participants	747,877	179,865
Adminstrative expenses	1,358	1,194
TOTAL DEDUCTIONS	749,235	181,059
NET CHANGE	1,983,113	2,926,328
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year	8,687,165	5,760,837
END OF YEAR	$ 10,670,278	$ 8,687,165

See accompanying notes to financial statements.

NORTHEAST ORTHOPAEDICS LLP 401(K) PROFIT SHARING PLAN

Notes to Financial Statements

December 31, 2010

NOTE A--DESCRIPTION OF THE PLAN

The following description of the Northeast Orthopaedics LLP (the "Company") 401(k) Profit Sharing Plan (the "Plan") provides only general information. Participants should refer to the plan document and adoption agreement for a more complete description of the Plan's provisions.

General

The Plan is a contributory savings and profit sharing plan which covers all employees of Northeast Orthopaedics, LLP and Executive Woods Ambulatory Surgery Center, LLC.

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Employees are eligible to make participant contributions to the Plan after 30 days of service with a participating employer and be a minimum age of 21. Employees are eligible to receive employer profit sharing contributions after one year of service with a participating employer and be a minimum age of 21 years old. Employees enter the profit sharing plan on the first day of January or July following satisfaction of the eligibility requirements.

Contributions

Participants may defer up to 75% of eligible compensation, as defined in the Plan. Participants who have attained the age of 50 before the close of the plan year are allowed an additional catch-up contribution ($5,500 in 2010). Participants are allowed to defer 100% of any bonus into the Plan. Participants may also roll over distributions from other qualified defined benefit or contribution plans.

The Company made discretionary profit sharing contributions of 5% of the employees' salary in 2010 and 2009. Discretionary contributions totaled $613,856 and $645,244 for the years ended December 31, 2010 and 2009, respectively.

Contributions are subject to applicable Internal Revenue Code (IRC) limitations.

NOTE A--DESCRIPTION OF THE PLAN--Continued

Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of Plan earnings. Allocations are based on participant deferrals and account balances. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are immediately vested in their salary deferral contributions plus actual earnings thereon. Vesting in the Company's discretionary profit sharing contribution is based on years of service. Vesting for employees occurs ratably over five years (years two through six) for all employees.

At December 31, 2010 and 2009, forfeited non-vested accounts totaled $1,231 and $21,440, respectively. These accounts will be used to reduce future employer contributions.

Investment Options

Upon enrollment in the Plan, a participant may direct employee and employer contributions to be invested in any of the investment choices available under the Plan. Investment fund choices include trustee registered investment companies. Participants may change the mix of investments from one fund to another on a daily basis.

All investments are participant-directed.

Payment of Benefits

On termination of service due to death, disability or retirement, a participant receives a lump-sum amount equal to the value of the participant's vested interest in his or her account. The Plan allows certain hardship withdrawals, as defined by the IRC.

Loans to Participants

Participants may borrow from their fund accounts up to a maximum of the lesser of $50,000 or 50% of their vested account balance. Loan terms range from one year to five years or for a reasonable term exceeding five years where the loan is used for the purchase of a primary residence. The loans are collateralized by the balance in the participant's account and bear interest at a rate determined by the Plan sponsor. Interest rates range from 4% to 8.25% at December 31, 2010. Principal and interest is paid ratably through monthly payroll deductions.

NOTE A--DESCRIPTION OF THE PLAN--Continued

Plan Expenses

Administrative expenses include certain trustee fees and other investment-related expenses which are paid by the Plan. Other plan expenses such as legal fees and audit fees are paid by the Plan sponsor.

NOTE B--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

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

Investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The statement of net assets available for benefits presents the fair value of the investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The statement of changes in net assets available for benefits is prepared on a contract value basis.

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 reported amounts of assets, liabilities, and changes therein. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Shares of registered investment companies are valued at quoted market prices, which represent the net asset value of shares held by the Plan at year-end. Participant loans are valued at cost, which approximates fair value.

Purchases and sales of investments are recorded on a trade-date basis. Interest income is accrued when earned. Dividend income is recorded on the ex-dividend date.

NOTE B--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

The Plan presents in the statement of changes in net assets available for benefits the net appreciation (depreciation) in the fair value of its investments which consists of the realized gains or losses (computed using an average cost) and the unrealized appreciation (depreciation) on those investments.

Payment of Benefits
Benefits are recorded when paid.

Recently Issued Accounting Pronouncements
Accounting Standards Update (ASU) No. 2010-25, *"Plan Accounting - Defined Contribution Plans,"* requires that the Plan classify participant loans as notes receivable and that such loans be measured at their unpaid principal balances plus any accrued but unpaid interest. The Plan has adopted these amendments for the year ended December 31, 2010 and has been applied retrospectively to all prior periods presented.

NOTE C--FAIR VALUE MEASUREMENTS

The Plan's investments are reported at fair value in the accompanying statement of net assets available for benefits. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, and Level 3 inputs have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. No Level 2 inputs were available to the Plan, and Level 3 inputs were only used when Level 1 or Level 2 inputs were not available.

NOTE C--FAIR VALUE MEASUREMENTS--Continued

Level 1 Fair Value Measurements

The fair value of investments held at registered investment companies is based on the quoted net asset values of the investments held by the Plan throughout the year.

Level 3 Fair Value Measurements

The common collective funds are not actively traded and significant other observable inputs are not available. Thus, the fair value of common collective funds is determined by discounting the related cash flows based on current yields of similar instruments with comparable durations.

The Plan's investments are reported at fair value in the accompanying statements of net assets available for benefits.

		Fair Value Measurements Using:	
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Unobservable Inputs (Level 3)
December 31, 2010			
Registered investment companies	$ 9,910,476	$ 9,910,476	$ -
Common collective funds	606,553	-	606,553
	$ 10,517,029	$ 9,910,476	$ 606,553
December 31, 2009			
Registered investment companies	$ 8,080,047	$ 8,080,047	$ -
Common collective funds	420,767	-	420,767
	$ 8,500,814	$ 8,080,047	$ 420,767

NOTE C--FAIR VALUE MEASUREMENTS--Continued

The following table provides further details of the Level 3 fair value measurements.

Common Collective Funds	December 31, 2010	December 31, 2009
Beginning balance	$ 420,767	$ -
Purchases, sales, issuances, and settlements, (net)	185,786	420,767
Ending balance	$ 606,553	$ 420,767

NOTE D--INVESTMENTS

The following presents investments that represent 5% or more of the Plan's net assets:

	December 31 2010	2009
Registered investments companies:		
Fidelity Advisor Freedom 2020 Fund - Class A	$ 1,726,452	$ 1,337,233
Fidelity Advisor Freedom 2030 Fund - Class A	1,283,482	1,012,491
Fidelity Advisor Strategic Income Fund - Class A	1,030,272	510,886
Fidelity Advisor Freedom 2010 Fund - Class A	880,307	743,543
Fidelity Advisor Freedom 2035 Fund - Class A	700,724	644,917
Fidelity Advisor Freedom 2025 Fund - Class A	673,301	1,065,613
Fidelity Advisor Freedom 2015 Fund - Class A	670,739	633,981
Fidelity Advisor Stable Value Portfolio - Class II	606,553	*

* - Not more than 5% of plan net assets

NOTE D--INVESTMENTS--Continued

The investments reported in the December 31, 2010 statement of net assets available for benefits, the investment activities included in the statement of changes in net assets available for benefits for the year ended December 31, 2010, and the accompanying notes to the financial statements were prepared in part or entirely from information certified by the Trustee in accordance with 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. The information certified includes total investments of $10,517,029 at December 31, 2010 and the related income of $1,183,291 for the year ended December 31, 2010.

During 2010 and 2009, the Plan's investments (including investments bought, sold, and held during the year) appreciated in value, as follows:

	2010	2009
Registered investment companies	$ 914,723	$ 1,694,942

NOTE E--PLAN TERMINATION

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

NOTE F--TAX STATUS

The Internal Revenue Service has determined and informed the Company by a letter dated October 5, 2001, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

NOTE G--RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

NOTE H--RELATED PARTY TRANSACTIONS

The Plan invests in shares of mutual funds managed by Fidelity. Fidelity Management Trust Company is the trustee and custodian of the Plan and Fidelity Investment Institutional Operations Company is the record keeper of the Plan. Transactions in such investments qualify as party-in-interest transactions which are exempt from the prohibited transaction rules.

NOTE I--RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

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

	2010	2009
Net assets available for benefits, per the financial statements	$ 10,670,278	$ 8,687,165
Add (less): adjustment from contract value to fair value for fully benefit-responsive investment contracts	11,343	(551)
Net assets available for benefits, per Form 5500	$ 10,681,621	$ 8,686,614

The following is a reconciliation of the net income per the financial statements to the IRS Form 5500 for the year ended December 31, 2010:

Net income, per the financial statements	$ 1,983,113
Add: adjustment from contract value to fair value for fully benefit-responsive investment contracts	11,894
Net income, per Form 5500	$ 1,995,007

NOTE J--SUBSEQUENT EVENTS

In accordance with generally accepted accounting principles, the Plan has evaluated for subsequent events between the statement of net assets available for benefits date of December 31, 2010 and August 22, 2011, the date the financial statements were available to be issued.

SUPPLEMENTAL SCHEDULE

NORTHEAST ORTHOPAEDICS LLP 401(K) PROFIT SHARING PLAN

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

EIN #14-1777794 Plan #001

December 31, 2010

	(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(d) Cost[1]	(e) Current Value
*		Fidelity Advisor	Fidelity Advisor Freedom 2020 Fund - Class A		$ 1,726,452
*		Fidelity Advisor	Fidelity Advisor Freedom 2030 Fund - Class A		1,283,482
*		Fidelity Advisor	Fidelity Advisor Strategic Income Fund - Class A		1,030,272
*		Fidelity Advisor	Fidelity Advisor Freedom 2010 Fund - Class A		880,307
*		Fidelity Advisor	Fidelity Advisor Freedom 2035 Fund - Class A		700,724
*		Fidelity Advisor	Fidelity Advisor Freedom 2025 Fund - Class A		673,301
*		Fidelity Advisor	Fidelity Advisor Freedom 2015 Fund - Class A		670,739
*		Fidelity Advisor	Fidelity Advisor Stable Value Portfolio - Class II		606,553
*		Fidelity Advisor	Fidelity Advisor Freedom 2040 Fund - Class A		328,135
*		Fidelity Advisor	Fidelity Advisor New Insights Fund - Class A		324,294
*		Fidelity Advisor	Fidelity Advisor Freedom 2005 Fund - Class A		315,558
		Columbia Acorn	Columbia Acorn Intl Class A		313,818
		Eaton Vance	Eaton Vance Dividend Builder CL A		284,744
		Calvert	Calvert Income Class A		271,317
*		Fidelity Advisor	Fidelity Advisor Gold Fund - Class A		220,561
*		Fidelity Advisor	Fidelity Advisor Freedom 2045 Fund - Class A		184,002
*		Fidelity Advisor	Fidelity Advisor Emerging Markets Fund - Class A		142,522
*		Fidelity Advisor	Fidelity Advisor Leveraged Company Stock Fund - Class A		93,606
*		Fidelity Advisor	Fidelity Advisor Energy Fund - Class A		87,895
*		Fidelity Advisor	Fidelity Advisor Small Cap Fund - Class A		80,802
*		Fidelity Advisor	Fidelity Advisor Materials Fund - Class A		65,222
		Columbia Acorn	Columbia Acorn Fund Class A		63,551
*		Fidelity Advisor	Fidelity Advisor Mid Cap II Fund - Class A		48,281
*		Fidelity Advisor	Fidelity Advisor Freedom 2050 Fund - Class A		30,913
		Oppenheimer	Oppenheimer Small & Mid Cap Value Class A		27,152
*		Fidelity Advisor	Fidelity Advisor Government Income Fund - Class A		24,942
*		Fidelity Advisor	Fidelity Advisor Total International Equity Fund - Class A		11,198
*		Fidelity Advisor	Fidelity Advisor Financial Services Fund - Class A		5,792
*		Fidelity Advisor	Fidelity Advisor Health Care Fund - Class A		5,602
		Columbia	Columbia Marsico 21st Century Fund		4,799
*		Fidelity Advisor	Fidelity Advisor Real Estate Fund - Class A		4,628
		Eaton Vance	Eaton Vance Large Cap Value Class A		1,799
*		Fidelity Advisor	Fidelity Advisor Freedom Income Fund - Class A		1,782
*		Fidelity Advisor	Fidelity Advisor International Discovery Fund - Class A		1,137
*		Fidelity Advisor	Fidelity Advisor Industrials Fund - Class A		863
*		Fidelity Advisor	Fidelity Advisor Consumer Staples Fund - Class A		284
					10,517,029
*		Participant loans	4% to 8.25%, maturities through October 2021	$ -	139,002
*		Represents party-in-interest to the Plan.			$ 10,656,031

[1] Column (d) has been omitted as the Plan is 100% participant directed.

NORTHEAST ORTHOPAEDICS LLP
401(K) PROFIT SHARING PLAN

Financial Statements and Supplemental Schedule

December 31, 2010 and 2009

NORTHEAST ORTHOPAEDICS LLP 401(K) PROFIT SHARING PLAN

Financial Statements and Supplemental Schedule

December 31, 2010 and 2009

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Financial Statements

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Statements of Changes in Net Assets Available for Benefits 3
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MEMBER: AICPA, NYSSCPA

INDEPENDENT AUDITORS' REPORT

To the Participants and Administrator of
Northeast Orthopaedics LLP 401(k) Profit Sharing Plan

We were engaged to audit the financial statements of Northeast Orthopaedics LLP 401(k) Profit Sharing Plan (the "Plan") as of December 31, 2010 and 2009, and for the years then ended, and the supplemental schedule as of and for the year ended December 31, 2010, as listed in the accompanying index. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note D, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the year ended December 31, 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 schedule taken as a whole. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Wojeski + Company CPA, P.C.

East Greenbush, New York
August 22, 2011

NORTHEAST ORTHOPAEDICS LLP 401(K) PROFIT SHARING PLAN

Statements of Net Assets Available for Benefits

	December 31, 2010	December 31, 2009
ASSETS		
Investments:		
Registered investment companies	$ 9,910,476	$ 8,080,047
Common collective funds	606,553	420,767
	10,517,029	8,500,814
Receivables:		
Notes receivable from participants	139,002	126,639
Sponsor contributions	13,798	50,111
Participant contributions	11,792	9,050
	164,592	185,800
NET ASSETS AVAILABLE FOR BENEFITS AT FAIR VALUE	10,681,621	8,686,614
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	(11,343)	551
NET ASSETS AVAILABLE FOR BENEFITS	$ 10,670,278	$ 8,687,165

See accompanying notes to financial statements.

NORTHEAST ORTHOPAEDICS LLP 401(K) PROFIT SHARING PLAN

Statements of Changes in Net Assets Available for Benefits

	Year Ended December 31	
	2010	2009
ADDITIONS:		
Additions to net assets attributed to:		
Investment income:		
Net appreciation in fair value of investments	$ 914,723	$ 1,694,942
Interest and dividends	268,568	199,072
	1,183,291	1,894,014
Contributions:		
Employer's	613,856	645,244
Participants'	582,143	553,510
Rollovers	353,058	14,619
	1,549,057	1,213,373
TOTAL ADDITIONS	2,732,348	3,107,387
DEDUCTIONS:		
Deductions from net assets attributed to:		
Payments to withdrawn and retired participants	747,877	179,865
Adminstrative expenses	1,358	1,194
TOTAL DEDUCTIONS	749,235	181,059
NET CHANGE	1,983,113	2,926,328
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year	8,687,165	5,760,837
END OF YEAR	$ 10,670,278	$ 8,687,165

See accompanying notes to financial statements.

NORTHEAST ORTHOPAEDICS LLP 401(K) PROFIT SHARING PLAN

Notes to Financial Statements

December 31, 2010

NOTE A--DESCRIPTION OF THE PLAN

The following description of the Northeast Orthopaedics LLP (the "Company") 401(k) Profit Sharing Plan (the "Plan") provides only general information. Participants should refer to the plan document and adoption agreement for a more complete description of the Plan's provisions.

General

The Plan is a contributory savings and profit sharing plan which covers all employees of Northeast Orthopaedics, LLP and Executive Woods Ambulatory Surgery Center, LLC.

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Employees are eligible to make participant contributions to the Plan after 30 days of service with a participating employer and be a minimum age of 21. Employees are eligible to receive employer profit sharing contributions after one year of service with a participating employer and be a minimum age of 21 years old. Employees enter the profit sharing plan on the first day of January or July following satisfaction of the eligibility requirements.

Contributions

Participants may defer up to 75% of eligible compensation, as defined in the Plan. Participants who have attained the age of 50 before the close of the plan year are allowed an additional catch-up contribution ($5,500 in 2010). Participants are allowed to defer 100% of any bonus into the Plan. Participants may also roll over distributions from other qualified defined benefit or contribution plans.

The Company made discretionary profit sharing contributions of 5% of the employees' salary in 2010 and 2009. Discretionary contributions totaled $613,856 and $645,244 for the years ended December 31, 2010 and 2009, respectively.

Contributions are subject to applicable Internal Revenue Code (IRC) limitations.

NOTE A--DESCRIPTION OF THE PLAN--Continued

Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of Plan earnings. Allocations are based on participant deferrals and account balances. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are immediately vested in their salary deferral contributions plus actual earnings thereon. Vesting in the Company's discretionary profit sharing contribution is based on years of service. Vesting for employees occurs ratably over five years (years two through six) for all employees.

At December 31, 2010 and 2009, forfeited non-vested accounts totaled $1,231 and $21,440, respectively. These accounts will be used to reduce future employer contributions.

Investment Options

Upon enrollment in the Plan, a participant may direct employee and employer contributions to be invested in any of the investment choices available under the Plan. Investment fund choices include trustee registered investment companies. Participants may change the mix of investments from one fund to another on a daily basis.

All investments are participant-directed.

Payment of Benefits

On termination of service due to death, disability or retirement, a participant receives a lump-sum amount equal to the value of the participant's vested interest in his or her account. The Plan allows certain hardship withdrawals, as defined by the IRC.

Loans to Participants

Participants may borrow from their fund accounts up to a maximum of the lesser of $50,000 or 50% of their vested account balance. Loan terms range from one year to five years or for a reasonable term exceeding five years where the loan is used for the purchase of a primary residence. The loans are collateralized by the balance in the participant's account and bear interest at a rate determined by the Plan sponsor. Interest rates range from 4% to 8.25% at December 31, 2010. Principal and interest is paid ratably through monthly payroll deductions.

NOTE A--DESCRIPTION OF THE PLAN--Continued

Plan Expenses

Administrative expenses include certain trustee fees and other investment-related expenses which are paid by the Plan. Other plan expenses such as legal fees and audit fees are paid by the Plan sponsor.

NOTE B--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

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

Investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The statement of net assets available for benefits presents the fair value of the investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The statement of changes in net assets available for benefits is prepared on a contract value basis.

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 reported amounts of assets, liabilities, and changes therein. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Shares of registered investment companies are valued at quoted market prices, which represent the net asset value of shares held by the Plan at year-end. Participant loans are valued at cost, which approximates fair value.

Purchases and sales of investments are recorded on a trade-date basis. Interest income is accrued when earned. Dividend income is recorded on the ex-dividend date.

NOTE B--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

The Plan presents in the statement of changes in net assets available for benefits the net appreciation (depreciation) in the fair value of its investments which consists of the realized gains or losses (computed using an average cost) and the unrealized appreciation (depreciation) on those investments.

Payment of Benefits
Benefits are recorded when paid.

Recently Issued Accounting Pronouncements
Accounting Standards Update (ASU) No. 2010-25, *"Plan Accounting - Defined Contribution Plans,"* requires that the Plan classify participant loans as notes receivable and that such loans be measured at their unpaid principal balances plus any accrued but unpaid interest. The Plan has adopted these amendments for the year ended December 31, 2010 and has been applied retrospectively to all prior periods presented.

NOTE C--FAIR VALUE MEASUREMENTS

The Plan's investments are reported at fair value in the accompanying statement of net assets available for benefits. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, and Level 3 inputs have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. No Level 2 inputs were available to the Plan, and Level 3 inputs were only used when Level 1 or Level 2 inputs were not available.

NOTE C--FAIR VALUE MEASUREMENTS--Continued

Level 1 Fair Value Measurements

The fair value of investments held at registered investment companies is based on the quoted net asset values of the investments held by the Plan throughout the year.

Level 3 Fair Value Measurements

The common collective funds are not actively traded and significant other observable inputs are not available. Thus, the fair value of common collective funds is determined by discounting the related cash flows based on current yields of similar instruments with comparable durations.

The Plan's investments are reported at fair value in the accompanying statements of net assets available for benefits.

		Fair Value Measurements Using:	
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Unobservable Inputs (Level 3)
December 31, 2010			
Registered investment companies	$ 9,910,476	$ 9,910,476	$ -
Common collective funds	606,553	-	606,553
	$ 10,517,029	$ 9,910,476	$ 606,553
December 31, 2009			
Registered investment companies	$ 8,080,047	$ 8,080,047	$ -
Common collective funds	420,767	-	420,767
	$ 8,500,814	$ 8,080,047	$ 420,767

NOTE C--FAIR VALUE MEASUREMENTS--Continued

The following table provides further details of the Level 3 fair value measurements.

Common Collective Funds	December 31, 2010	December 31, 2009
Beginning balance	$ 420,767	$ -
Purchases, sales, issuances, and settlements, (net)	185,786	420,767
Ending balance	$ 606,553	$ 420,767

NOTE D--INVESTMENTS

The following presents investments that represent 5% or more of the Plan's net assets:

	December 31 2010	2009
Registered investments companies:		
Fidelity Advisor Freedom 2020 Fund - Class A	$ 1,726,452	$ 1,337,233
Fidelity Advisor Freedom 2030 Fund - Class A	1,283,482	1,012,491
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Fidelity Advisor Freedom 2025 Fund - Class A	673,301	1,065,613
Fidelity Advisor Freedom 2015 Fund - Class A	670,739	633,981
Fidelity Advisor Stable Value Portfolio - Class II	606,553	*

* - Not more than 5% of plan net assets

NOTE D--INVESTMENTS--Continued

The investments reported in the December 31, 2010 statement of net assets available for benefits, the investment activities included in the statement of changes in net assets available for benefits for the year ended December 31, 2010, and the accompanying notes to the financial statements were prepared in part or entirely from information certified by the Trustee in accordance with 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. The information certified includes total investments of $10,517,029 at December 31, 2010 and the related income of $1,183,291 for the year ended December 31, 2010.

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The Plan invests in shares of mutual funds managed by Fidelity. Fidelity Management Trust Company is the trustee and custodian of the Plan and Fidelity Investment Institutional Operations Company is the record keeper of the Plan. Transactions in such investments qualify as party-in-interest transactions which are exempt from the prohibited transaction rules.

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Net assets available for benefits, per Form 5500	$ 10,681,621	$ 8,686,614

The following is a reconciliation of the net income per the financial statements to the IRS Form 5500 for the year ended December 31, 2010:

Net income, per the financial statements	$ 1,983,113
Add: adjustment from contract value to fair value for fully benefit-responsive investment contracts	11,894
Net income, per Form 5500	$ 1,995,007

NOTE J--SUBSEQUENT EVENTS

In accordance with generally accepted accounting principles, the Plan has evaluated for subsequent events between the statement of net assets available for benefits date of December 31, 2010 and August 22, 2011, the date the financial statements were available to be issued.

SUPPLEMENTAL SCHEDULE

NORTHEAST ORTHOPAEDICS LLP 401(K) PROFIT SHARING PLAN

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

EIN #14-1777794 Plan #001

December 31, 2010

	(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(d) Cost[1]	(e) Current Value
*		Fidelity Advisor	Fidelity Advisor Freedom 2020 Fund - Class A		$ 1,726,452
*		Fidelity Advisor	Fidelity Advisor Freedom 2030 Fund - Class A		1,283,482
*		Fidelity Advisor	Fidelity Advisor Strategic Income Fund - Class A		1,030,272
*		Fidelity Advisor	Fidelity Advisor Freedom 2010 Fund - Class A		880,307
*		Fidelity Advisor	Fidelity Advisor Freedom 2035 Fund - Class A		700,724
*		Fidelity Advisor	Fidelity Advisor Freedom 2025 Fund - Class A		673,301
*		Fidelity Advisor	Fidelity Advisor Freedom 2015 Fund - Class A		670,739
*		Fidelity Advisor	Fidelity Advisor Stable Value Portfolio - Class II		606,553
*		Fidelity Advisor	Fidelity Advisor Freedom 2040 Fund - Class A		328,135
*		Fidelity Advisor	Fidelity Advisor New Insights Fund - Class A		324,294
*		Fidelity Advisor	Fidelity Advisor Freedom 2005 Fund - Class A		315,558
		Columbia Acorn	Columbia Acorn Intl Class A		313,818
		Eaton Vance	Eaton Vance Dividend Builder CL A		284,744
		Calvert	Calvert Income Class A		271,317
*		Fidelity Advisor	Fidelity Advisor Gold Fund - Class A		220,561
*		Fidelity Advisor	Fidelity Advisor Freedom 2045 Fund - Class A		184,002
*		Fidelity Advisor	Fidelity Advisor Emerging Markets Fund - Class A		142,522
*		Fidelity Advisor	Fidelity Advisor Leveraged Company Stock Fund - Class A		93,606
*		Fidelity Advisor	Fidelity Advisor Energy Fund - Class A		87,895
*		Fidelity Advisor	Fidelity Advisor Small Cap Fund - Class A		80,802
*		Fidelity Advisor	Fidelity Advisor Materials Fund - Class A		65,222
		Columbia Acorn	Columbia Acorn Fund Class A		63,551
*		Fidelity Advisor	Fidelity Advisor Mid Cap II Fund - Class A		48,281
*		Fidelity Advisor	Fidelity Advisor Freedom 2050 Fund - Class A		30,913
		Oppenheimer	Oppenheimer Small & Mid Cap Value Class A		27,152
*		Fidelity Advisor	Fidelity Advisor Government Income Fund - Class A		24,942
*		Fidelity Advisor	Fidelity Advisor Total International Equity Fund - Class A		11,198
*		Fidelity Advisor	Fidelity Advisor Financial Services Fund - Class A		5,792
*		Fidelity Advisor	Fidelity Advisor Health Care Fund - Class A		5,602
		Columbia	Columbia Marsico 21st Century Fund		4,799
*		Fidelity Advisor	Fidelity Advisor Real Estate Fund - Class A		4,628
		Eaton Vance	Eaton Vance Large Cap Value Class A		1,799
*		Fidelity Advisor	Fidelity Advisor Freedom Income Fund - Class A		1,782
*		Fidelity Advisor	Fidelity Advisor International Discovery Fund - Class A		1,137
*		Fidelity Advisor	Fidelity Advisor Industrials Fund - Class A		863
*		Fidelity Advisor	Fidelity Advisor Consumer Staples Fund - Class A		284
					10,517,029
*		Participant loans	4% to 8.25%, maturities through October 2021	$ -	139,002
*		Represents party-in-interest to the Plan.			$ 10,656,031

[1] Column (d) has been omitted as the Plan is 100% participant directed.