

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 <u>01/01/2010</u> and ending <u>12/31/2010</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☒ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information
1a Name of plan <u>KINRAY INC. PENSION PLAN & TRUST</u>	1b Three-digit plan number (PN) ▶ <u>001</u> 1c Effective date of plan <u>04/01/1974</u>
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) <u>KINRAY, INC.</u> <u>152-35 10TH AVENUE</u> <u>WHITESTONE, NY 11357-1233</u>	2b Employer Identification Number (EIN) <u>11-1580316</u> 2c Sponsor's telephone number <u>718-767-1234</u> 2d Business code (see instructions) <u>424210</u>

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

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

SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>10/17/2011</u>	<u>HOWARD HIRSCH</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>10/17/2011</u>	<u>HOWARD HIRSCH</u>
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2010)
v.092307.1

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") KINRAY, INC. 152-35 10TH AVENUE WHITESTONE, NY 11357-1233	3b Administrator's EIN 11-1580316 3c Administrator's telephone number 718-767-1234
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN	
5 Total number of participants at the beginning of the plan year	5	225
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	164
b Retired or separated participants receiving benefits.....	6b	4
c Other retired or separated participants entitled to future benefits.....	6c	57
d Subtotal. Add lines 6a , 6b , and 6c	6d	225
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	225
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
 1A 1G 3D

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

9a Plan funding arrangement (check all that apply)	9b Plan benefit arrangement (check all that apply)
(1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	(1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ 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) ☒ **R** (Retirement Plan Information)
 (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
 (3) ☒ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

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

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2010 This Form is Open to Public Inspection
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For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

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

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

A Name of plan <u>KINRAY INC. PENSION PLAN & TRUST</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>KINRAY, INC.</u>	D Employer Identification Number (EIN) <u>11-1580316</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☒ 101-500 ☐ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2010</u>	
2 Assets:	
a Market value	2a <u>7738645</u>
b Actuarial value	2b <u>7738645</u>
3 Funding target/participant count breakdown	
	(1) Number of participants (2) Funding Target
a For retired participants and beneficiaries receiving payment	3a <u>1</u> <u>49623</u>
b For terminated vested participants	3b <u>44</u> <u>975406</u>
c For active participants:	
(1) Non-vested benefits	3c(1) <u>0</u>
(2) Vested benefits	3c(2) <u>7693061</u>
(3) Total active	3c(3) <u>180</u> <u>7693061</u>
d Total	3d <u>225</u> <u>8718090</u>
4 If the plan is at-risk, check the box and complete items (a) and (b)	☐
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	4b
5 Effective interest rate	5 <u>6.68</u> %
6 Target normal cost	6 <u>836654</u>

Statement by Enrolled Actuary

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

SIGN HERE	<u>10/10/2011</u>
Signature of actuary	Date
<u>JOHN DOYLE</u>	<u>11-00426</u>
Type or print name of actuary	Most recent enrollment number
<u>PPC</u>	<u>914-682-5200</u>
Firm name	Telephone number (including area code)
<u>3 BARKER AVENUE</u> <u>WHITE PLAINS, NY 10601-1509</u>	
Address of the firm	

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

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

Schedule SB (Form 5500) 2010
v.092308.1

Part II	Beginning of year carryover and prefunding balances	(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	0	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9	Amount remaining (Item 7 minus item 8).....	0	0
10	Interest on item 9 using prior year's actual return of _____ %		
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		17196
b	Interest on (a) using prior year's effective rate of <u>6.49</u> %		1116
c	Total available at beginning of current plan year to add to prefunding balance		18312
d	Portion of (c) to be added to prefunding balance.....		18312
12	Reduction in balances due to elections or deemed elections.....	0	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12).....	0	18312

Part III	Funding percentages		
14	Funding target attainment percentage.....	14	88.55 %
15	Adjusted funding target attainment percentage.....	15	88.55 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	78.27 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	%

Part IV	Contributions and liquidity shortfalls						
18 Contributions made to the plan for the plan year by employer(s) and employees:							
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees		
04/19/2010	221898						
07/15/2010	221898						
09/15/2010	1449						
10/15/2010	221898						
01/14/2011	221898						
09/15/2011	213811						
			Totals ►	18(b)	1102852	18(c)	0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:	
a Contributions allocated toward unpaid minimum required contribution from prior years.....	19a 0
b Contributions made to avoid restrictions adjusted to valuation date	19b 0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c 1043251
20 Quarterly contributions and liquidity shortfalls:	
a Did the plan have a "funding shortfall" for the prior year?	☒ Yes ☐ No
b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☐ Yes ☒ No
c If 20a is "Yes," see instructions and complete the following table as applicable:	

Liquidity shortfall as of end of Quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

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

21 Discount rate:				
a Segment rates:	1st segment: 4.60 %	2nd segment: 6.65 %	3rd segment: 6.76 %	☐ N/A, full yield curve used
b Applicable month (enter code)	21b			0
22 Weighted average retirement age	22			65
23 Mortality table(s) (see instructions) ☒ Prescribed - combined ☐ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

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

Part VII Reconciliation of unpaid minimum required contributions for prior years

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

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions).....	31	836654
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	630721	149561
b Waiver amortization installment	0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	0
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b – item 33).....	34	986215
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	0	0
36 Additional cash requirement (item 34 minus item 35).....	36	986215
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	1043251
38 Interest-adjusted excess contributions for current year (see instructions).....	38	57036
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....	39	0
40 Unpaid minimum required contribution for all years	40	0

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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.	<small>OMB No. 1210-0110</small> 2010 This Form is Open to Public Inspection
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For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010		
A Name of plan KINRAY INC. PENSION PLAN & TRUST	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 KINRAY, INC.	D Employer Identification Number (EIN) 11-1580316	

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	398717	435709
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)	55972	77126
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	680864	1584729
(2) U.S. Government securities.....	1c(2)	1014642	9492
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)	3967383	4974083
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)	761524	1570735
(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)		
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	876971	952158
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	7756073	9604032

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		256639
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	256639

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	7756073	9347393
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Part II Income and Expense Statement

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

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	1102852	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		1102852

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

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	2	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)	252152	
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		252154

(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	64783	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	14693	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		79476

(3) Rents	2b(3)		
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(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	5323422	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	5145105	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		178317

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)	111696	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		111696
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		81866
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		1806361

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	195260	
(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)		195260
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	19781	
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		19781
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		215041

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		1591320
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

(1) Name: STANLEY P. WIRTHEIM CPA

(2) EIN: 11-3411380

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

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

Part IV Compliance Questions

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

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		400000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

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

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

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

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

A Name of plan <u>KINRAY INC. PENSION PLAN & TRUST</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>KINRAY, INC.</u>	D Employer Identification Number (EIN) <u>11-1580316</u>

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>11-3166228</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	<u>3</u>

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

Part III	Amendments
-----------------	-------------------

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

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

Schedule R (Form 5500) 2010
v.092308.1

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

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

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

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

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

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

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

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

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

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

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

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

Stock: _____% 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): _____

KINRAY, INC.
PENSION PLAN and TRUST
FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION
DECEMBER 31, 2010 & 2009

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STANLEY P. WIRTHEIM
CERTIFIED PUBLIC ACCOUNTANT

98 CUTTER MILL ROAD, SUITE 364S
GREAT NECK, NY 11021

INDEPENDENT AUDITOR'S REPORT

To The Board of Trustees
Kinray, Inc. Pension Plan and Trust

I have audited the accompanying statements of net assets available for benefits of Kinray, Inc. Pension Plan and Trust (Plan) as of December 31, 2010 and 2009 and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. My responsibility is to express an opinion on these financial statements based on my audits.

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

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial status of the Plan as of December 31, 2010 and 2009, and the changes in its financial status for the years then ended in conformity with accounting principles generally accepted in the United States of America.

My audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets as of December 31, 2010 referred to as supplemental information, is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental information is the responsibility of the Plan's management. The supplemental information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Stanley P. Wirthheim (PA)

October 13, 2011

KINRAY, INC. PENSION PLAN AND TRUST
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2010 & 2009

ASSETS	<u>2010</u>	<u>2009</u>
Investments, at fair value		
Mutual Funds	\$ 952,158	\$ 876,971
U.S. Government Securities	9,492	1,014,642
Corporate and Other Debt	4,974,083	3,967,383
Corporate Equities	<u>1,570,735</u>	<u>761,524</u>
Total Investments	<u>7,506,468</u>	<u>6,620,520</u>
Receivables		
Employer's Contribution Receivable	435,709	398,717
Accrued Investment Income	<u>77,126</u>	<u>55,972</u>
	<u>512,835</u>	<u>454,689</u>
Cash and cash equivalents	1,584,729	680,864
TOTAL ASSETS	<u><u>9,604,032</u></u>	<u><u>7,756,073</u></u>
LIABILITIES		
Due to broker for unsettled transactions	256,639	-
TOTAL LIABILITIES	<u><u>256,639</u></u>	<u><u>-</u></u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 9,347,393</u></u>	<u><u>\$ 7,756,073</u></u>

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

KINRAY, INC. PENSION PLAN AND TRUST
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2010 & 2009

INVESTMENT INCOME:	<u>2010</u>	<u>2009</u>
Net appreciation (depreciation) in fair value of investments	\$ 193,562	\$ 550,884
Dividend income	79,476	36,149
Interest income	252,154	199,568
Net realized gains (losses) on sale of securities	<u>178,317</u>	<u>(103,260)</u>
	703,509	683,341
Employer Contributions	<u>1,102,852</u>	<u>1,056,215</u>
TOTAL ADDITIONS	<u>1,806,361</u>	<u>1,739,556</u>
Benefits paid to participants	195,260	4,601
Administrative expenses	<u>19,781</u>	<u>15,622</u>
TOTAL DEDUCTIONS	<u>215,041</u>	<u>20,223</u>
NET INCREASE	1,591,320	1,719,333
NET ASSETS AVAILABLE FOR BENEFITS:		
BEGINNING OF YEAR	<u>7,756,073</u>	<u>6,036,740</u>
END OF YEAR	<u>\$ 9,347,393</u>	<u>\$ 7,756,073</u>

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

KINRAY, INC. PENSION PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010 & 2009

NOTE 1 - Description of Plan

The following brief description of the Kinray, Inc. ("Plan Sponsor") Pension Plan and Trust (the "Plan") provides only general information. Participants should refer to the Summary Plan Description for a more complete description of the Plan's provisions.

General. The Plan is a defined benefit plan covering all full-time employees of Kinray, Inc. (the Plan Sponsor), who are not members of a collective bargaining unit and who have attained 18 months of service and are at least 20 1/2 years of age with the January 1st coincident with or following the nearest completion of the eligibility requirements. It is subject to the provisions of the Employee Retirement Income Security Act (ERISA) of 1974.

Funding Policy. The Plan sponsor's funding policy is to make annual contributions to the Plan in accordance with an actuarially determined amount that will provide for payment of all participant benefits by the time they retire. The minimum funding requirements of ERISA have been met.

Vesting. A participant shall have a 100% vested interest in his or her accrued benefit upon entering the plan.

Pension Benefits. Benefit payments to participants are recorded upon distribution. Upon termination of service due to death, disability, retirement or separation from work, the following guidelines apply:

- If a participant dies before the annuity starting date, the actuarial equivalent of his or her accrued benefit shall be payable to either a surviving spouse or beneficiary. If the participant is married on the date of his or her death, the participant's surviving spouse will receive a minimum death benefit in the form of a qualified pre-retirement survivor annuity, unless the annuity has been waived. Unless the participant directed that the death benefit be paid in a specific form of lump sum or installment distribution, a surviving spouse or non-spouse beneficiary may elect to have the death benefit distributed:
 - In one or more lump sum payments or
 - In monthly, quarterly, semi-annual or annual cash installments.
- Upon termination of service due to disability, retirement or separation from work, a participant's benefit can be distributed:
 - As a qualified joint and survivor annuity if the participant is married on the annuity starting date and has not died before such date or as a normal form of retirement benefit if the participant is unmarried on the annuity starting date and has not died before such date, or when the participant has elected to do so,
 - As a lump sum in cash and/or property, or
 - As a monthly straight life annuity, payable in equal installments for the life of the participant that terminates upon his or her death, or
 - As a monthly annuity for the life of the participant and thereafter for the life of the participant's beneficiary. The monthly payments made to the beneficiary are reduced to 50% of the participant's annuity benefit or are equal to 100% of the participants annuity benefit.

NOTE 2 - Summary of Accounting Policies

Subsequent events were evaluated through October 13, 2011, which is the date the financial statements were available to be issued.

KINRAY, INC. PENSION PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010 & 2009

NOTE 2 - Summary of Accounting Policies (Cont)

Basis of Accounting

The financial statements of the Plan are prepared under the accrual method of accounting in accordance with the generally accepted accounting principles in the United States of America.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires Plan management to make estimates and assumptions that affect the reported amounts of assets, liabilities, benefit obligations and changes therein, disclosure of contingent assets and liabilities and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

The Plan's investments are reported at fair market value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transition between market participants at the measurement date. See Note 5 for a discussion of fair value measurements.

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

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefit obligations (APBO) are those future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions to the service employees have rendered. APBO include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits under the Plan are based on employees' compensation during their highest consecutive five years of credited service. The APBO is based on a benefit formula, as defined, calculated as of January 1, 2009 and 2008 (the valuation date). Benefits payable under all circumstances, i.e. retirement, death, disability and termination of employment, are included, to the extent they are deemed attributable to employee service rendered to the valuation date.

Accumulated Plan Benefit Obligations of the Plan are determined by an actuary from the firm of Preferred Pension Concepts Inc., and is that amount that results from applying actuarial assumptions to adjust accumulated plan benefits to reflect the time value of money and the probability of payment between the valuation date and the expected date of payment. (See Note 3)

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

Plan Expenses

The Sponsor pays all administrative expenses of the plan except for fees charged by the investment custodian.

KINRAY, INC. PENSION PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010 & 2009

NOTE 2 - Summary of Accounting Policies (Cont)

New Accounting Standards

In June 2009, the Financial Accounting Standards Board (FASB) issued Accounting Standards Codification (ASC) 105, *Generally Accepted Accounting Principles* (formerly Statement of Financial Accounting Standards (SFAS) No. 168, *The FASB Standards Codification and the Hierarchy of Generally Accepted Accounting Principles*). ASC 105 establishes the FASB ASC as the single source of authoritative accounting principles recognized by FASB to be applied by nongovernmental entities in preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The standard is effective for interim and annual periods ending after September 15, 2009. The Plan has adopted this standard effective July 1, 2009, and it will not have an impact on its financial statements.

In January 2010, the FASB issued ASC 2010-06 *Improving Disclosures about Fair Value Measurement*. This guide requires additional disclosures of transfers of assets and liabilities between Levels 1 and 2 of the fair value hierarchy and disclosure of activity on a gross basis, including purchases, sales, issuance and settlements in the reconciliation of the assets and liabilities measured under Level 3 of the fair value hierarchy. This standard also clarifies existing disclosure requirements on levels of disaggregation and disclosures about inputs and valuation techniques. ASC 2010-06 will be effective for the Plan year ending December 31, 2010, except for the disclosure requirements on Level 3 activity that will be effective for the Plan's year ending December 31, 2011. The adoption of this standard did not have a material impact on the Plan's financial statements.

NOTE 3 - Actuarial Present Value of Accumulated Plan Benefit

The actuarial present value of accumulated plan benefits is determined by an actuary from Preferred Pension Concepts Inc. and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

The significant actuarial assumptions used in the valuation as of January 1, 2010 and 2009 were:

- Life Expectancy of Participants - Pre-retirement : all expected to survive to 65
2010 & 2009- Post-retirement: RP2000 projected to 2010 and 2009, respectively
- Retirement Age Assumptions - Assumed normal retirement age was 65
- Average Rates of Return - 6.0% for 2010 and 2009

The foregoing actuarial assumptions are based on the presumptions that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of APBO.

The APBO and the changes in the APBO as of and for the years beginning January 1, 2010 and 2009 is as follows:

KINRAY, INC. PENSION PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010 & 2009

NOTE 3 - Actuarial Present Value of Accumulated Plan Benefit (Cont)

Actuarial Present Value of Accumulated Plan Benefit Obligations			
		<u>2010</u>	<u>2009</u>
Vested benefits:			
Participants currently receiving benefits	\$	923,949	\$ 52,119
Other participants		<u>10,267,072</u>	<u>8,274,163</u>
Total	\$	<u>11,191,021</u>	<u>\$ 8,326,282</u>
Actuarial Present Value of Accumulated Plan Benefit Obligation – beginning of year	\$	<u>8,326,282</u>	<u>\$ 8,379,391</u>
		<u>2010</u>	<u>2009</u>
Increase (decrease) during the year attributable to:			
Benefits accumulated	\$	2,566,280	\$ (551,133)
Change in actuarial assumptions		-0-	-0-
Increase for interest due to decrease in discount rate		493,719	502,625
Benefits paid		<u>(195,260)</u>	<u>(4,601)</u>
Net (decrease) increase		<u>2,864,739</u>	<u>(53,109)</u>
Actuarial Present Value of Accumulated Plan Benefit Obligation – end of year	\$	<u>11,191,021</u>	<u>\$ 8,326,282</u>

The plan meets the minimum funding requirements of ERISA.

NOTE 4 - Investments

The following presents investments at fair value held by the Plan as of December 31, 2010 & 2009, including investments in excess of 5% of the Plan's net assets at the beginning of the year.

		<u>December 31,</u> <u>2010</u>	<u>2009</u>
<u>Mutual Funds:</u>			
The Fairholme Fund	\$	354,025	282,757
Permanent Portfolio Fund		138,835	117,196
Epoch Global Equity Yield		206,230	190,387
CGM Focus Fund		-0-	68,390
First Eagle Global Fund		<u>253,068</u>	<u>218,241</u>
	\$	<u>952,158</u>	<u>\$ 876,971</u>
Corporate Debt	\$	1,809,409	\$ 2,758,023
Corporate Equities		1,570,735	761,524

KINRAY, INC. PENSION PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010 & 2009

NOTE 4 - Investments (Cont)

	<u>December 31,</u> <u>2010</u>	<u>2009</u>
Municipal Bond	3,164,674	1,209,360
U.S. Government Securities	9,492	1,014,642
	\$ <u>6,554,310</u>	\$ <u>5,743,549</u>
 Total	 \$ <u>7,506,468</u>	 \$ <u>6,620,520</u>

For the years ended December 31, 2010 and 2009 the Plan's investments appreciated in value by \$193,562 and \$550,884 respectively as follows:

	<u>2010</u>	<u>2009</u>
Mutual Funds	\$ 157,652	\$ 251,374
U.S. Government Securities	(3,349)	19,248
Corporate and Other Debt	(49,498)	179,448
Corporate Equities	88,757	139,310
Other Investments	-	-
	\$ <u>193,562</u>	\$ <u>550,884</u>

NOTE 5 - Fair Value Measurements

Financial Accounting Standards Board ("FASB") *Accounting Standards Codification* (ASC) 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted market prices in active markets for the identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the under FASB ASC 820 are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Financial instruments not reflected at fair value on a recurring basis include receivables, and accounts payable. The carrying amount of these financial instruments approximates fair value.

Investments securities, in general, are exposed to various risks, including interest rate, credit and overall market volatility. Due to the level of risk associated with certain long-term investments, it is possible that changes in the values of these investments will occur in the near term and that such changes could materially affect the amounts report in the consolidated statements of financial position.

KINRAY, INC. PENSION PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010 & 2009

NOTE 5 - Fair Value Measurements (Continued)

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2010 and 2009.

Mutual Funds: Valued at the closing price reported in the active market in which the individual securities are traded.

Corporate Debt: Certain corporate bonds are valued at the closing price reported in the active market in which the bond is traded. Other Corporate bonds are valued based on yields currently available on comparable securities of issuers with similar credit ratings.

Corporate Equities: Common stocks are valued at the closing price reported in the active market.

US Government Securities: Valued at the closing price reported in the active market in which the individual securities are traded.

The following table set forth by level, within the fair value hierarchy, the plan's assets at fair value of December 31, 2010 and 2009.

Assets at Fair Value as of December 31, 2010

	Level 1	Level 2	Level 3	Total
Mutual Funds	\$ 952,158		\$ 952,158	
Corporate & Other Debt	4,983,575			4,983,575
Corporate Equities	1,561,243			1,561,243
US Government Securities	9,492			9,492
	<u>\$ 7,506,468</u>			<u>\$ 7,506,468</u>

Assets at Fair Value as of December 31, 2009

	Level 1	Level 2	Level 3	Total
Mutual Funds	\$ \$876,971		\$ \$876,971	
Corporate Debt	3,967,383			3,967,383
Corporate Equities	761,524			761,524
US Government Securities	1,014,642			1,014,642
	<u>\$ \$6,620,520</u>			<u>\$ \$6,620,520</u>

NOTE 6- Tax Status

The Plan obtained its latest determination letter on June 23, 2004, in which the Internal Revenue Service advised that the Plan is designed in accordance with applicable sections of the Internal Revenue Code (the Code). In addition, the Plan's Actuary, Plan Administrator and the Plan Sponsor believe that the Plan has been designed and is being operated in compliance with the tax-qualification requirements under section 401(a) of the Code, as amended by the Economic Growth and Tax Relief Reconciliation Act of 2001 and all other requirements of applicable law. The Plan is exempt from federal income tax under the provisions of section 501(a) of the Code.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service and the State of New York. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2010, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) disclosure in the financial statements. The Plan is subject to routine audits by taxing authorities; however, there are currently no

KINRAY, INC. PENSION PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010 & 2009

NOTE 6- Tax Status (Cont)

audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to December 31, 2007

NOTE 7 - Plan Termination

In the event the Plan terminates, the net assets of the Plan will be allocated, as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

1. Benefits attributable to employee contributions, taking into account those paid out before termination.
2. Annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under Plan provisions in effect at any time during the five years preceding Plan termination.
3. Other vested benefits insured by the Pension Benefit Guaranty Corporation (PBGC) (a U.S. government agency) up to the applicable limitations (discussed below)
4. All other vested benefits (that is, vested benefits not insured by the PBGC).
5. All nonvested benefits.

The Plan may be terminated by the Sponsor at any time. Upon termination the net assets of the Plan, will be allocated as prescribed by ERISA and its related regulations.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. However, there is a statutory ceiling, which is adjusted periodically, on the amount of an individual's monthly benefit that the PBGC guarantees. For Plan terminations occurring during 2010 that ceiling is \$4,500 per month. That ceiling applies to those pensioners who elect to receive their benefits in the form of a single-life annuity and are at least 65 years old at the time of retirement or plan termination (whichever comes later). For younger annuitants or for those who elect to receive their benefits in some form more valuable than a single-life annuity, the corresponding ceilings are actuarially adjusted downward.

NOTE 8 - Concentration of Credit Risk

Financial instruments that potentially subject the Plan to concentrations of credit risk consist of investments and cash maintained in mutual funds, U.S. government securities, corporate debt and other investments. The Plan's Trustee and the Plan's sponsor have evaluated the financial strength of the respective entities invested into and are satisfied as to their financial stability. The Plan's cash and cash equivalents are in non FDIC insured money market funds.

KINRAY, INC. PENSION PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010 & 2009

NOTE 9 - Party In Interest

Certain plan investments are managed by Family Management Securities LLC. These transactions qualify as party-in-interest transactions. Management fees paid from plan assets were \$19,781 and \$15,622 for the years ended December 31, 2010 and 2009 respectively.

NOTE 10 - Related Party Transactions

All other administrative expenses other than management fees are paid by Kinray, Inc.

NOTE 11 - Risks and uncertainties

The Plan invests in various investments and 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 value 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 statement of net assets available for benefits.

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

KINRAY, INC. PENSION PLAN and TRUST
EIN #11-1580316
PLAN #: 001
SCHEDULE OF ASSETS [SCHEDULE H PART IV (4i)]
December 31, 2010

Schedule H- Part I Item 1

(a)	(b)	# of Shares Units or Principal Amount	(c) Cost	(d) Current Value
Description				
<u>U.S. Government Securities</u>				
GNMA Gld Mtg Pass Thru Cdfs, 8.0%, due 04/15/26		179	259	188
GNMA Gld Mtg Pass Thru Cdfs, 6.0%, due 11/15/31		8,427	8,815	9,304
Total			<u>\$ 9,074</u>	<u>\$ 9,492</u>
				Line 1(c)(2)(b)
<u>Corporate Equities</u>				
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Firstenergy Corp		2,325	89,384	86,071
Honeywell, Inc		600	19,001	31,896
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Total			<u>\$ 1,441,797</u>	<u>\$ 1,570,735</u>
				Line 1(c)(4)(B)(b)
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Total			<u>\$ 870,292</u>	<u>\$ 952,158</u>
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Heinz H J Co NT 5.350% Due 07/15/13	255,000	255,052	279,585
Hewlett Packard Co Global NT 4.250% Due 02/24/12	185,000	186,188	192,252
Metlife Inc SR NT Callable 6.125% Due 12/01/11	125,000	131,764	131,102
Nike Inc Medium Term 5.150% Due 10/15/15	140,000	156,628	156,395
Verizon Communications Inc 5.350% Due 02/15/11	125,000	125,724	125,680
Washington Mut Bk Chatsworth Med Term Note	100,000	100,035	125
Colorado Springs Colo Utils Rev 4.529% Due 11/15/17	125,000	125,052	127,499
Dallas Cnty Tex Hosp 4.948% Due 08/15/20	100,000	100,052	102,848
Dolton Ill Taxable Ser-Callable 12/01/19 @100 5.770% Due 12/01/24	100,000	102,120	104,669
Essex Cnty NJ Taxable Gen 6.150% Due 08/01/25	200,000	202,284	199,932
Indiana Univ Revs Student Fee 4.777% Due 08/01/20	175,000	175,052	181,452
Jacksonville FL SPL Rev Build 4.240% 10/01/16	115,000	115,052	117,109
Milwaukee Wis Taxable Corp Pur 5.250% 02/15/27	200,000	199,552	195,744
Nassau Cnty NY Taxable Gen 5.375% Due 10/01/27	125,000	127,041	119,867
New London Conn Build Amer Bnds 5.220% Due 08/15/19	110,000	110,052	115,700
New Mexico Fin Auth Rev Sr 5.082% 06/01/22	175,000	175,052	178,654
New York NY City Transitional Fin Auth 4.867% Due 08/01/24	175,000	175,052	169,360
New York NY City Transitional Fin Auth 2.670% Due 02/01/14	150,000	150,796	153,114
New York NY City Transitional Fin Auth 4.398% Due 05/01/20	150,000	150,052	149,818
New York St Dorm Auth Pers Income Tax Rev 4.511% Due 12/15/13	100,000	107,619	108,159
New York St Dorm Auth Pers Income Tax Rev 4.554% Due 02/15/21	150,000	150,052	148,572
Ohio St for Issues DTD Prior to 3/25/05 4.550% Due 10/01/17	125,000	125,052	127,980
Oregon St Ser E 4.461% Due 08/01/20	175,000	175,052	177,436
Oregon St St Brd Ed 4.961% Due 08/01/25	125,000	136,153	127,170
Port Authority NY NJ 4.500% Due 09/15/15	115,000	120,266	121,606
Sacramento Cnty CA Conv Pens a Cap 7.380% Due 08/15/21	100,000	110,552	115,253
San Antonio Tex Wtr Rev 3.319% Due 05/15/15	125,000	125,052	127,517
Somerset Cnty NJ Impt 5.250% Due 10/01/24	100,000	99,536	101,320
Triborough Brdg Tuntl Auth 5.0% Due 11/15/25	100,000	100,052	93,896
		<u>\$ 5,008,912</u>	<u>\$ 4,974,083</u>
			Line 1(c)(3)(B)(b)

KINRAY, INC.**PENSION PLAN & TRUST**

Schedule of Active Participant Data

Plan Year: 1/1/2010 to 12/31/2010

Valuation Date: 1/1/2010

Age/ Svc	<25	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70+	Total
0	0	0	0	0	0	0	0	0	0	0	0	0
1-4	11	26	7	8	10	6	8	2	2	0	0	80
5-9	0	3	8	8	13	6	8	4	3	2	0	55
10-14	0	0	1	5	7	4	2	3	3	1	0	26
15-19	0	0	0	1	2	1	3	2	2	0	0	11
20-24	0	0	0	0	0	1	0	1	0	0	0	2
25-29	0	0	0	0	0	0	1	1	0	0	0	2
30-34	0	0	0	0	0	0	0	2	0	0	0	2
35-39	0	0	0	0	0	0	0	0	1	1	0	2
40+	0	0	0	0	0	0	0	0	0	0	0	0
Total	11	29	16	22	32	18	22	15	11	4	0	180

*Employees who have not met the minimum eligibility requirements are excluded

Average Age: 41.6

Average Service: 7

Attachment to 2010 Schedule SB, Line 32 - Schedule of Amortization Bases

EIN: 11-1580316 / PN: 001

KINRAY, INC.
PENSION PLAN & TRUST

Shortfall Amortization

Valuation Date: January 1, 2010

<u>Year</u>	<u>Number of Future Installments</u>	<u>Installment</u>	<u>Value of Future Installments</u>
(a) Six Years Prior	1	\$0	\$0
(b) Five Years Prior	2	\$0	\$0
(c) Four Years Prior	3	\$0	\$0
(d) Three Years Prior	4	\$0	\$0
(e) Two Years Prior	5	\$155,261	\$710,963
(f) One Year Prior	6	\$67,889	\$360,077
(g) Current Plan Year	7	<u>(\$73,589)</u>	<u>(\$440,319)</u>
(h) Total		\$149,561	\$630,721

KINRAY, INC.
PENSION PLAN & TRUST

Statement of Actuarial Assumptions and Method

Plan Year: 1/1/2010 to 12/31/2010

Valuation Date: 1/1/2010

	<u>For PPA Funding</u>	<u>For Actuarial Equivalence</u>
Interest Rates	Segment 1 4.60%	Pre-Retirement 6.00%
	Segment 2 6.65%	Post-Retirement 6.00%
	Segment 3 6.76%	
Pre-Retirement		
Turnover	None	None
Mortality	None	None
Assumed Ret Age	Normal retirement age 65 and 5 years of participation	
Post-Retirement		
Mortality	Male-modified RP2000 combined healthy male projected 25 & 17 yrs Female-modified RP2000 combined healthy female projected 25 & 17 yrs	UP-84 UNADJUSTED
Assumed Benefit Form For Funding		Normal Form
Calculated Effective Interest Rate		6.68%

An actuarial value of assets is used for funding purposes. This year the actuarial value of assets is 100.0% of the market value of assets.

KINRAY, INC.
PENSION PLAN & TRUST

Summary of Plan Provisions
Plan Year: 1/1/2010 to 12/31/2010

Plan Effective Date	April 1, 1974
Plan Year	From January 1 to December 31
Eligibility	<p>All employees not excluded by class are eligible to enter on the January 1 nearest the completion of the following requirements:</p> <p style="margin-left: 40px;">2 years of service Minimum age 21</p>
Normal Retirement Age	<p>All participants are eligible to retire with their full retirement benefit on the later of the following:</p> <p style="margin-left: 40px;">Attainment of age 65 Completion of 5 years of participation</p>
Normal Retirement Benefit	<p>Upon normal retirement each participant will be entitled to a benefit payable in the normal form equal to the following:</p> <p style="margin-left: 40px;">1.824 percent of compensation times credited years</p> <p>Credited years are years commencing with the date of entry and ending with the retirement year excluding the following:</p> <p style="margin-left: 40px;">Years with less than 1,000 hours</p> <p style="margin-left: 40px;">with a maximum of 10 years</p> <p style="margin-left: 40px;">Maximum benefit is \$16,250 per month Maximum percent of salary is 100%</p> <p>Benefit is based on average salary during the highest 5 consecutive years of employment</p>
Early Retirement Age	<p>Attainment of age 52</p> <p style="margin-left: 40px;">7 years of service</p>
Early Retirement Benefit	Actuarial Equivalence
Normal Form of Benefit	A benefit payable for the life of the participant and payments guaranteed for 10 years

KINRAY, INC.
PENSION PLAN & TRUST

Summary of Plan Provisions
Plan Year: 1/1/2010 to 12/31/2010

Accrued Benefit

A fraction of the normal retirement benefit calculated based on the assumption that the average salary preceding termination equals the average salary at retirement such fraction being equal to the years to date divided by what the years at retirement would have been had employment continued until retirement, but not taking into account more than 10 credited years

Credited years are plan years commencing with the year of hire and ending with the retirement year excluding the following:

Years with less than 1,000 hours

Termination Benefit

Upon termination for any reason other than death, disability or retirement a participant shall be entitled to a portion of the actuarial equivalent of his accrued benefit in accordance with the following vesting schedule:

Immediate 100% vesting

Credited years are plan years commencing with the year of hire and ending with the retirement year excluding the following:

Years with less than 1,000 hours

Top-Heavy Status

A plan is top-heavy if over 60% of the value of all accrued benefits in all of the employer's plans are for the benefit of key employees. A key employee is generally an officer or owner of the company. This plan is currently not top-heavy.

Death Benefit

Actuarial Equivalent of the accrued benefit earned to date of death

Attachment to 2010 Schedule SB, Line 22

EIN: 11-1580316 / PN: 001

**KINRAY, INC.
PENSION PLAN & TRUST**

Weighted Average Retirement Age

Valuation Date: January 1, 2010

Participants are assumed to receive their benefits in the normal form at the plan's normal retirement date of the later of the date the participant attains age 65 or the fifth (5th) anniversary of the date the participant entered the Plan.

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation**Single-Employer Defined Benefit Plan
Actuarial Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

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

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

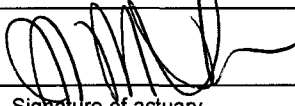
A Name of plan KINRAY INC. PENSION PLAN & TRUST		B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF KINRAY, INC.		D Employer Identification Number (EIN) 11-1580316
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B		F Prior year plan size: ☐ 100 or fewer ☒ 101-500 ☐ More than 500

Part I Basic Information

1 Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2010</u>			
2 Assets:			
a Market value.....		2a	7,738,645
b Actuarial value.....		2b	7,738,645
3 Funding target/participant count breakdown		(1) Number of participants (2) Funding Target	
a For retired participants and beneficiaries receiving payment.....		3a	1 49,623
b For terminated vested participants.....		3b	44 975,406
c For active participants:			
(1) Non-vested benefits.....		3c(1)	0
(2) Vested benefits.....		3c(2)	7,693,061
(3) Total active.....		3c(3)	180 7,693,061
d Total.....		3d	225 8,718,090
4 If the plan is at-risk, check the box and complete items (a) and (b) ☐			
a Funding target disregarding prescribed at-risk assumptions.....		4a	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor.....		4b	
5 Effective interest rate.....		5	6.68 %
6 Target normal cost.....		6	836,654

Statement by Enrolled Actuary

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

SIGN HERE	 Signature of actuary	<u>10/10/2011</u> Date
JOHN DOYLE Type or print name of actuary		11-00426 Most recent enrollment number
PPC Firm name		(914) 682-5200 Telephone number (including area code)
3 BARKER AVENUE Address of the firm		
WHITE PLAINS NY 10601-1509		

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

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

Schedule SB (Form 5500) 2010
v.092308.1

Part II Beginning of year carryover and prefunding balances		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	0	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9	Amount remaining (Item 7 minus item 8)	0	0
10	Interest on item 9 using prior year's actual return of _____ %		
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		17,196
b	Interest on (a) using prior year's effective rate of <u>6.49</u> %		1,116
c	Total available at beginning of current plan year to add to prefunding balance		18,312
d	Portion of (c) to be added to prefunding balance		18,312
12	Reduction in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	0	18,312

Part III Funding percentages	
14 Funding target attainment percentage	14 88.55 %
15 Adjusted funding target attainment percentage	15 88.55 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16 78.27 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17 %

Part IV Contributions and liquidity shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/19/2010	221,898				
07/15/2010	221,898				
09/15/2010	1,449				
10/15/2010	221,898				
01/14/2011	221,898				
09/15/2011	213,811				
Totals ►			18(b)	1,102,852	18(c) 0

19 Discounted employer contributions - see instructions for small plan with a valuation date after the beginning of the year:	
a Contributions allocated toward unpaid minimum required contribution from prior years	19a 0
b Contributions made to avoid restrictions adjusted to valuation date	19b 0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c 1,043,251
20 Quarterly contributions and liquidity shortfalls:	
a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No	
b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☒ No	
c If 20a is "Yes," see instructions and complete the following table as applicable:	
Liquidity shortfall as of end of Quarter of this plan year	
(1) 1st	(2) 2nd
0	0
(3) 3rd	(4) 4th
0	0

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

21 Discount rate:				
a Segment rates:	1st segment: 4.60 %	2nd segment: 6.65 %	3rd segment: 6.76 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 0
22 Weighted average retirement age				22 65
23 Mortality table(s) (see instructions) ☒ Prescribed - combined ☐ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

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

Part VII Reconciliation of unpaid minimum required contributions for prior years

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

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions)	31	836,654
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	630,721	149,561
b Waiver amortization installment	0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	0
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b - item 33)	34	986,215
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	0	0
36 Additional cash requirement (item 34 minus item 35)	36	986,215
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)	37	1,043,251
38 Interest-adjusted excess contributions for current year (see instructions)	38	57,036
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37)	39	0
40 Unpaid minimum required contribution for all years	40	0

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Heinz H J Co NT 5.350% Due 07/15/13	255,000	255,052	279,585
Hewlett Packard Co Global NT 4.250% Due 02/24/12	185,000	186,188	192,252
Metlife Inc SR NT Callable 6.125% Due 12/01/11	125,000	131,764	131,102
Nike Inc Medium Term 5.150% Due 10/15/15	140,000	156,628	156,395
Verizon Communications Inc 5.350% Due 02/15/11	125,000	125,724	125,680
Washington Mut Bk Chatsworth Med Term Note	100,000	100,035	125
Colorado Springs Colo Utils Rev 4.529% Due 11/15/17	125,000	125,052	127,499
Dallas Cnty Tex Hosp 4.948% Due 08/15/20	100,000	100,052	102,848
Dolton Ill Taxable Ser-Callable 12/01/19 @100 5.770% Due 12/01/24	100,000	102,120	104,669
Essex Cnty NJ Taxable Gen 6.150% Due 08/01/25	200,000	202,284	199,932
Indiana Univ Revs Student Fee 4.777% Due 08/01/20	175,000	175,052	181,452
Jacksonville FL SPL Rev Build 4.240% 10/01/16	115,000	115,052	117,109
Milwaukee Wis Taxable Corp Pur 5.250% 02/15/27	200,000	199,552	195,744
Nassau Cnty NY Taxable Gen 5.375% Due 10/01/27	125,000	127,041	119,867
New London Conn Build Amer Bnds 5.220% Due 08/15/19	110,000	110,052	115,700
New Mexico Fin Auth Rev Sr 5.082% 06/01/22	175,000	175,052	178,654
New York NY City Transitional Fin Auth 4.867% Due 08/01/24	175,000	175,052	169,360
New York NY City Transitional Fin Auth 2.670% Due 02/01/14	150,000	150,796	153,114
New York NY City Transitional Fin Auth 4.398% Due 05/01/20	150,000	150,052	149,818
New York St Dorm Auth Pers Income Tax Rev 4.511% Due 12/15/13	100,000	107,619	108,159
New York St Dorm Auth Pers Income Tax Rev 4.554% Due 02/15/21	150,000	150,052	148,572
Ohio St for Issues DTD Prior to 3/25/05 4.550% Due 10/01/17	125,000	125,052	127,980
Oregon St Ser E 4.461% Due 08/01/20	175,000	175,052	177,436
Oregon St St Brd Ed 4.961% Due 08/01/25	125,000	136,153	127,170
Port Authority NY NJ 4.500% Due 09/15/15	115,000	120,266	121,606
Sacramento Cnty CA Conv Pens a Cap 7.380% Due 08/15/21	100,000	110,552	115,253
San Antonio Tex Wtr Rev 3.319% Due 05/15/15	125,000	125,052	127,517
Somerset Cnty NJ Impt 5.250% Due 10/01/24	100,000	99,536	101,320
Triborough Brdg Tuntl Auth 5.0% Due 11/15/25	100,000	100,052	93,896
		<u>\$ 5,008,912</u>	<u>\$ 4,974,083</u>
			Line 1(c)(3)(B)(b)