For	m 5500-SF	Short Form Annual R	eturn/Report c Benefit Plan	of Small Employ	yee	OMB Nos. 1210-0110 1210-0089
	tment of the Treasury nal Revenue Service	This form is required to be file		nd 4065 of the Emplove	е	2012
Employee Be	partment of Labor enefits Security Administration	Retirement Income Security Act of	1974 (ERISA), and see al Revenue Code (the C	ctions 6057(b) and 6058	a) of	This Form is Open to Public Inspection
Pension Be	nefit Guaranty Corporation	Complete all entries in accor	dance with the instruc	ctions to the Form 550	0-SF.	Inspection
Part I		entification Information			0/04/	
For calenda	ar plan year 2012 or fisca			5	2/31/	
A This ret	urn/report is for:	a single-employer plan	1 1 7 1	an (not multiemployer)		a one-participant plan
B This ret	urn/report is:	the first return/report X	the final return/report			
	L	an amended return/report		n/report (less than 12 m	onths	
C Check b	box if filing under:	K Form 5558	automatic extension			DFVC program
		special extension (enter description				
Part II		nation—enter all requested inform	ation			
1a Name NORTHWES		OCIATES DEFINED BENEFIT PLAI	N		1b	Three-digit plan number (PN) ▶ 002
					10	(PN) ▶ 002 Effective date of plan
						01/01/2009
	oonsor's name and addre	ess; include room or suite number (e 3.	mployer, if for a single-	employer plan)	2b	Employer Identification Number (EIN) 91-1606533
875 SWIFT I	BOULEVARD				2c	Sponsor's telephone number 509-946-1654
	WA 99352-3592				2d	Business code (see instructions) 621111
3a Plan ad	dministrator's name and	address Same as Plan Sponsor N	lame Same as Plan	Sponsor Address	3b	Administrator's EIN
PROLIANCE	SURGEONS, INC., P.S.	875 SWIFT BO	OULEVARD /A 99352-3592		20	91-1606533 Administrator's telephone number
4 If the r	ame and/or EIN of the p	lan sponsor has changed since the	last raturn/roport filed fo	or this plan, optor the	46	FIN 04 4407045
		er from the last return/report.	ast return report med to		40	EIN 91-1107815
		ORTHOPAEDIC ASSOCIATES				PN 004
5a Total r	number of participants at	the beginning of the plan year			5a	30
		the end of the plan year			5b	0
		count balances as of the end of the			5c	
		uring the plan year invested in eligib				X Yes No
	•	he annual examination and report of	,	,		
		See instructions on waiver eligibility				
		er line 6a or line 6b, the plan canr				
		incomplete filing of this return/re				
SB or Sche		r penalties set forth in the instructior signed by an enrolled actuary, as w te.				
SIGN	Filed with authorized/va	lid electronic signature.	10/15/2013	JOHN W. STAEHELI		
HERE	Signature of plan adn	ninistrator	Date	Enter name of individu	ual sig	gning as plan administrator
SIGN					,	
HERE	Signature of employe	r/plan sponsor	Date	Enter name of individu	ual sid	gning as employer or plan sponsor
	name (including firm nar	ne, if applicable) and address; includ				parer's telephone number (optional)
601 W RIVE	HURLEY, INC. RSIDE, SUITE 1600					509-838-5500
SPOKANE,						

Part III Financial Information								
7 Plan Assets and Liabilities		(a) Beginning of Yea	ar			(b) End o	of Year	
a Total plan assets	. 7a	70294	7				0)
b Total plan liabilities	7b		0				0	
C Net plan assets (subtract line 7b from line 7a)	7c	70294	7				0	
8 Income, Expenses, and Transfers for this Plan Year		(a) Amount				(b) To	otal	
a Contributions received or receivable from:	a (1)	100.10	0					
(1) Employers	. 8a(1)	16643	2					
(2) Participants	8a(2)							
(3) Others (including rollovers)	8a(3)	0550						
b Other income (loss)	8b	9558	0					
 C Total income (add lines 8a(1), 8a(2), 8a(3), and 8b) d Benefits paid (including direct rollovers and insurance premiums 	8c						262018	
to provide benefits)	. 8d	96029	1					
e Certain deemed and/or corrective distributions (see instructions)	8e							
f Administrative service providers (salaries, fees, commissions)	8f	467	4					
g Other expenses	8g							
h Total expenses (add lines 8d, 8e, 8f, and 8g)	8h						964965	5
i Net income (loss) (subtract line 8h from line 8c)	8i						-702947	•
j Transfers to (from) the plan (see instructions)	8j							
Part IV Plan Characteristics								
10 During the plan year:				Yes	No		Amount	
 During the plan year: a Was there a failure to transmit to the plan any participant contribu 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fide 	uciary Correc	ction Program)	10a	Yes	No X		Amount	
During the plan year:a Was there a failure to transmit to the plan any participant contribution	uciary Correct? (Do not inc	ction Program)	10a 10b				Amount	
 During the plan year: a Was there a failure to transmit to the plan any participant contribu 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fide b Were there any nonexempt transactions with any party-in-interest 	uciary Correc t? (Do not inc	xtion Program) clude transactions reported		Yes	х			300000
 During the plan year: a Was there a failure to transmit to the plan any participant contribu 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fide b Were there any nonexempt transactions with any party-in-interest on line 10a.) 	iciary Correct ? (Do not inc fidelity bond	ction Program) clude transactions reported	10b		х			300000
 During the plan year: a Was there a failure to transmit to the plan any participant contribu 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fide b Were there any nonexempt transactions with any party-in-interest on line 10a.) c Was the plan covered by a fidelity bond? d Did the plan have a loss, whether or not reimbursed by the plan's 	iciary Correc (Do not inc fidelity bond her persons b of the benefit	tion Program) clude transactions reported , that was caused by fraud by an insurance carrier, is under the plan? (See	10b 10c		X X			300000
 During the plan year: a Was there a failure to transmit to the plan any participant contribu 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fide b Were there any nonexempt transactions with any party-in-interest on line 10a.) c Was the plan covered by a fidelity bond? d Did the plan have a loss, whether or not reimbursed by the plan's or dishonesty? e Were any fees or commissions paid to any brokers, agents, or oth insurance service or other organization that provides some or all other any provides some or all other plan have plan by the plan have plan have any fees or commissions plant to any brokers. 	iciary Correc ? (Do not inc fidelity bond ner persons b of the benefit	tion Program) clude transactions reported , that was caused by fraud by an insurance carrier, s under the plan? (See	10b 10c 10d		x x x			300000
 During the plan year: a Was there a failure to transmit to the plan any participant contribu 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fide b Were there any nonexempt transactions with any party-in-interest on line 10a.) c Was the plan covered by a fidelity bond? d Did the plan have a loss, whether or not reimbursed by the plan's or dishonesty? e Were any fees or commissions paid to any brokers, agents, or oth insurance service or other organization that provides some or all o instructions.) 	iciary Correc (Do not inc fidelity bond her persons b of the benefit n?	ction Program) clude transactions reported , that was caused by fraud by an insurance carrier, is under the plan? (See	10b 10c 10d 10e 10f		x x x x x			300000
 During the plan year: a Was there a failure to transmit to the plan any participant contribu 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fide b Were there any nonexempt transactions with any party-in-interest on line 10a.) c Was the plan covered by a fidelity bond? d Did the plan have a loss, whether or not reimbursed by the plan's or dishonesty? e Were any fees or commissions paid to any brokers, agents, or oth insurance service or other organization that provides some or all instructions.) f Has the plan failed to provide any benefit when due under the plan 	iciary Correct (Do not inc fidelity bond ner persons b of the benefit n? (See instruct	tion Program) clude transactions reported , that was caused by fraud by an insurance carrier, s under the plan? (See 	10b 10c 10d 10e		x x x x x x x			300000
 10 During the plan year: a Was there a failure to transmit to the plan any participant contribu 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fide b Were there any nonexempt transactions with any party-in-interest on line 10a.) c Was the plan covered by a fidelity bond? d Did the plan have a loss, whether or not reimbursed by the plan's or dishonesty? e Were any fees or commissions paid to any brokers, agents, or oth insurance service or other organization that provides some or all o instructions.) f Has the plan failed to provide any benefit when due under the plan g Did the plan have any participant loans? (If "Yes," enter amount a h If this is an individual account plan, was there a blackout period? 	iciary Correc (Do not ino fidelity bond her persons b of the benefit n? is of year end (See instruct he required n	tion Program) clude transactions reported , that was caused by fraud by an insurance carrier, s under the plan? (See d.) ions and 29 CFR	10b 10c 10d 10e 10f 10g		x x x x x x x			300000
 During the plan year: a Was there a failure to transmit to the plan any participant contribut 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fide b Were there any nonexempt transactions with any party-in-interest on line 10a.) c Was the plan covered by a fidelity bond? d Did the plan have a loss, whether or not reimbursed by the plan's or dishonesty? e Were any fees or commissions paid to any brokers, agents, or oth insurance service or other organization that provides some or all dinstructions.) f Has the plan failed to provide any benefit when due under the plan g Did the plan have any participant loans? (If "Yes," enter amount a h If this is an individual account plan, was there a blackout period? 2520.101-3.) i If 10h was answered "Yes," check the box if you either provided to exceptions to providing the notice applied under 29 CFR 2520.10 	iciary Correc (Do not ino fidelity bond her persons b of the benefit n? is of year end (See instruct he required n	tion Program) clude transactions reported , that was caused by fraud by an insurance carrier, s under the plan? (See d.) ions and 29 CFR	10b 10c 10d 10e 10f 10g 10h		x x x x x x x			300000
 10 During the plan year: a Was there a failure to transmit to the plan any participant contribu 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fide b Were there any nonexempt transactions with any party-in-interest on line 10a.) c Was the plan covered by a fidelity bond? d Did the plan have a loss, whether or not reimbursed by the plan's or dishonesty? e Were any fees or commissions paid to any brokers, agents, or oth insurance service or other organization that provides some or all o instructions.) f Has the plan failed to provide any benefit when due under the pla g Did the plan have any participant loans? (If "Yes," enter amount a h If this is an individual account plan, was there a blackout period? 2520.101-3.) i If 10h was answered "Yes," check the box if you either provided the exceptions to providing the notice applied under 29 CFR 2520.10 Part VI Pension Funding Compliance 11 Is this a defined benefit plan subject to minimum funding requirem 	iciary Correct (Do not inc fidelity bond her persons b of the benefit n? (See instruct he required n 1-3 hents? (If "Ye	tion Program) clude transactions reported clude transactions reported , that was caused by fraud by an insurance carrier, s under the plan? (See clude) d.) ions and 29 CFR notice or one of the s," see instructions and corr	10b 10c 10d 10e 10f 10g 10h 10i	X	X X X X X X X ule SB	(Form		
 10 During the plan year: a Was there a failure to transmit to the plan any participant contribu 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fide b Were there any nonexempt transactions with any party-in-interest on line 10a.) c Was the plan covered by a fidelity bond? d Did the plan have a loss, whether or not reimbursed by the plan's or dishonesty? e Were any fees or commissions paid to any brokers, agents, or oth insurance service or other organization that provides some or all or instructions.) f Has the plan failed to provide any benefit when due under the pla g Did the plan have any participant loans? (If "Yes," enter amount a h If this is an individual account plan, was there a blackout period? 2520.101-3.) i If 10h was answered "Yes," check the box if you either provided the exceptions to providing the notice applied under 29 CFR 2520.10 Part VI Pension Funding Compliance 11 Is this a defined benefit plan subject to minimum funding requirem 5500) and line 11a below) 	iciary Correc (Do not inc fidelity bond her persons b of the benefit n? (See instruct he required n 1-3	tion Program) clude transactions reported , that was caused by fraud by an insurance carrier, is under the plan? (See d.) ions and 29 CFR notice or one of the	10b 10c 10d 10e 10f 10g 10h 10i	X	X X X X X X X ule SB	(Form		No
 10 During the plan year: a Was there a failure to transmit to the plan any participant contribu 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fide b Were there any nonexempt transactions with any party-in-interest on line 10a.)	uciary Correc (Do not inc fidelity bond her persons b of the benefit n? (See instruct he required n 1-3 hents? (If "Ye	tion Program) clude transactions reported , that was caused by fraud by an insurance carrier, s under the plan? (See 	10b 10c 10d 10e 10f 10g 10h 10i	Schec	X X X X X X Ule SB	(Form		
 10 During the plan year: a Was there a failure to transmit to the plan any participant contribu 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fide b Were there any nonexempt transactions with any party-in-interest on line 10a.) c Was the plan covered by a fidelity bond?	iciary Correct (Do not ind fidelity bond her persons b of the benefit n? is of year end (See instruct he required n 1-3 hents? (If "Ye	tion Program) clude transactions reported , that was caused by fraud by an insurance carrier, s under the plan? (See cl.) ions and 29 CFR hotice or one of the s," see instructions and com	10b 10c 10d 10e 10f 10g 10h 10i	Schec	X X X X X X Ule SB	(Form	Yes	No 0
 10 During the plan year: a Was there a failure to transmit to the plan any participant contribu 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fide b Were there any nonexempt transactions with any party-in-interest on line 10a.)	iciary Correct (Do not ind fidelity bond her persons b of the benefit n? is of year end (See instruct he required n 1-3	tion Program) clude transactions reported that was caused by fraud by an insurance carrier, is under the plan? (See d.) ions and 29 CFR notice or one of the es," see instructions and corr ts of section 412 of the Code le.)	10b 10c 10d 10e 10f 10g 10h 10i 0plete	Schec	X X X X X X X X Ule SB 11a 802 of E	(Form RISA?	X Yes	□ No 0 ▼ No
 10 During the plan year: a Was there a failure to transmit to the plan any participant contribu 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fide b Were there any nonexempt transactions with any party-in-interest on line 10a.) c Was the plan covered by a fidelity bond?	iciary Correc (Do not inc fidelity bond her persons b of the benefit n? is of year end (See instruct he required n 1-3 hents? (If "Ye requirement , as applicabl ng amortized	tion Program) clude transactions reported , that was caused by fraud by an insurance carrier, is under the plan? (See 	10b 10c 10d 10e 10f 10g 10h 10i 0plete	Schec	X X X X X X X X X X X X X X X X X X X	(Form RISA?	Yes	3000000 3000000 No 0 X No ing
 10 During the plan year: a Was there a failure to transmit to the plan any participant contribu 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fide b Were there any nonexempt transactions with any party-in-interest on line 10a.) c Was the plan covered by a fidelity bond? d Did the plan have a loss, whether or not reimbursed by the plan's or dishonesty? e Were any fees or commissions paid to any brokers, agents, or oth instructions.) f Has the plan failed to provide any benefit when due under the pla g Did the plan have any participant loans? (If "Yes," enter amount a h If this is an individual account plan, was there a blackout period? 2520.101-3.) i If 10h was answered "Yes," check the box if you either provided the exceptions to providing the notice applied under 29 CFR 2520.10 Pension Funding Compliance 11 Is this a defined benefit plan subject to minimum funding requirem 5500) and line 11a below). 12 Is this a defined contribution plan subject to the minimum funding (If "Yes," complete line 12a or lines 12b, 12c, 12d, and 12e below a If a waiver of the minimum funding standard for a prior year is beil granting the waiver. 	iciary Correct (Do not ind fidelity bond her persons b of the benefit n? is of year end (See instruct he required n 1-3 hents? (If "Ye requirement , as applicabl ng amortized e MB (Form	tion Program) clude transactions reported , that was caused by fraud by an insurance carrier, s under the plan? (See 	10b 10c 10d 10e 10f 10g 10h 10i 	X Schec	X X X X X X X X X X X X X X X X X X X	(Form RISA?	Yes	<u></u> П N Х N

С	Enter the amount contributed by the employer to the plan for this plan year	. 12c		
d	Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of a negative amount)			
е	Will the minimum funding amount reported on line 12d be met by the funding deadline?		Yes	No N/A
Part	VII Plan Terminations and Transfers of Assets			
13a	Has a resolution to terminate the plan been adopted in any plan year?	X	Yes No	
	If "Yes," enter the amount of any plan assets that reverted to the employer this year	13a		0
b	Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under of the PBGC?	he control		X Yes No
С	If during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan which assets or liabilities were transferred. (See instructions.)	(s) to		
1	13c(1) Name of plan(s):	13c(2) E	IN(s)	13c(3) PN(s)
Part	t VIII Trust Information (optional)			•

14a Name of trust	14b Trust's EIN

	SCH	EDULE SB	Single-Em	plover	Define	d Ben	efit Plan		ON	/IB No. 1210-0)110		
	(Fo	orm 5500)			Inform				2012				
		ment of the Treasury al Revenue Service								2012			
	Dep	partment of Labor	This schedule is requering Retirement Income S						This Fo	rm is Open	to Public		
-		efits Security Administration			ue Code (th				111310	Inspection			
					ent to Form	5500 or 5							
		plan year 2012 or fiscal		/01/2012			and ending	g 12/3	1/2012				
		f amounts to nearest o	iollar. be assessed for late filing of	f this report	unless reaso	nable cau	use is established	4					
	ame of pl		be assessed for late filling of	i tilis report	uniess reasc	1	_						
			OCIATES DEFINED BENEF	TT PLAN			B Three-digit		•	00	2		
							p.c	01 (111)					
•													
		or's name as shown on SURGEONS, INC., P.S	line 2a of Form 5500 or 550	00-SF			D Employer Id	entificat	tion Numbe	r (EIN)			
1100		001(020100, 1100., 1.0					91-1606533						
FΤ	/pe of plar	n: 🗙 Single 🗌 Multi	ple-A Multiple-B	F	Prior year pla	n size: 🔽	100 or fewer	101-5		e than 500			
-				•	i noi yeai pia	11 3ize. 🔨		101-5					
Pa		Basic Information		24		040							
1 2		e valuation date:	Month <u>12</u> D	ay <u>31</u>	Year 2	012	-						
2	Assets:	tvalue						2a			793610		
								2b			793610		
3		target/participant count				(1) Ni	umber of participa		(2) Funding T			
Ŭ	0	o	eneficiaries receiving payme	nt	. 3a	(1) 10		0	(4	-) r unung r	0		
	-	• •	pants					0			0		
		tive participants:											
	(1)				3c(1)						0		
	(2)	Vested benefits			3c(2)						926250		
	(3)	Total active			3c(3)			30			926250		
	d Total.				. 3d			30			926250		
4	If the pla	n is in at-risk status, ch	eck the box and complete lir	nes (a) and	(b)								
	a Fundir	ng target disregarding p	rescribed at-risk assumption	IS				4a					
			sk assumptions, but disrega					4b					
5			n five consecutive years and	*	· ·	tor		5			4.00.9/		
6								6			4.90 %		
	0	Enrolled Actuary									0		
т	o the best of	my knowledge, the information	supplied in this schedule and accom										
			bated experience under the plan.	dion is reasonal	de (taking into at	count the ex	penence of the plan a	iu reasona		is) and such ou	ier assumptions, in		
S	IGN												
H	ERE								10/07	7/2013			
			Signature of actuary						Date)			
MAR	C M. MCC	CALL							11-0	6948			
			e or print name of actuary					Most r	ecent enrol	lment numbe	er		
RAN	DALL & H	IURLEY, INC.								838-5500			
	N. RIVEF KANE, W	RSIDE, SUITE 1600 A 99201	Firm name				Tele	ephone	number (in	cluding area	code)		
			Address of the firm				-						
	actuary h ctions	as not fully reflected any	y regulation or ruling promul	gated under	the statute i	n comple	ting this schedule	e, check	the box an	a see	\Box		
		Reduction Act Notice	e and OMB Control Numbe	ers, see the	instruction	s for For	m 5500 or 5500-	SF.	Sche	dule SB (Fo	orm 5500) 2012 v. 120126		

F

Pa	art II 🛛 Beg	inning of Year	Carryov	er Prefunding Balan	ces						
	<u>.</u>					(a) (Carryover balance		(b)	Prefundi	ng balance
7		0 0 1 7		cable adjustments (line 13 f	•			0			0
8			,	unding requirement (line 35		-		0			0
9	Amount rema	ining (line 7 minus li	ne 8)					0			0
10	Interest on lin	e 9 using prior year'	s actual ret	urn of <u>14.01</u> %				0			0
11	Prior year's e	cess contributions	to be added	d to prefunding balance:							
	a Present val	ue of excess contrib	utions (line	38a from prior year)							240
				interest rate of <u>5.59</u> %							0
	C Total availat	ble at beginning of cu	rrent plan ye	ear to add to prefunding bala	nce						240
	d Portion of (c) to be added to pro	efunding ba	alance							0
12	Other reduction	ons in balances due	to election:	s or deemed elections				0			0
13	Balance at be	ginning of current ye	ear (line 9 +	⊦ line 10 + line 11d – line 12	2)			0			0
P	art III Fu	Inding Percent	ades								
14			<u> </u>							14	85.67 %
		ing target attainmen								15	103.68 %
16				of determining whether ca						16	73.73 %
17	If the current	value of the assets of	of the plan i	s less than 70 percent of th	e funding ta	arget, enter s	such percentage			17	%
P	art IV Co	ontributions an	d Liauid	ity Shortfalls							
				ear by employer(s) and em	plovees:						
	(a) Date (M-DD-YYYY)	(b) Amount p employer	aid by	(c) Amount paid by employees	(a)	Date D-YYYY)	(b) Amount pa employer(s		(nt paid by oyees
12	2/21/2012		166432	0							
		I			Totals <	• 18(b)		166432	18(c)		C
19	Discounted er	nployer contribution	s – see ins	tructions for small plan with	a valuation	date after th	ne beginning of the	e vear:			
				imum required contribution:			υυ	19a			0
				djusted to valuation date				19b			0
				uired contribution for current			F	19c			166329
20		tributions and liquidi			,						
-				the prior year?				L 		×	Yes No
	b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?										
		•			•	-		[
C If line 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	1

Pa	rt V	Assumptio	ns Used to Determine	Funding Target and 1	Target N	Iormal Cost					
21	Disco	ount rate:									
	a Se	egment rates:	1st segment: 1.69%	2nd segment: 4.53%		3rd segment: 5.60 %		used			
	b Ap	plicable month (enter code)				21b	1			
22	Weig	hted average ret	tirement age				22				62
23		ality table(s) (see		escribed - combined		bed - separate	Substitut	te			
Pa	rt VI	Miscellane	ous Items	-		-					
24			nade in the non-prescribed act	uarial assumptions for the c	urrent plai	n vear? If "Yes." see i	nstructions	regarding re	nuired		
	attac	hment							<u> </u>	Yes	X No
25	Has a	a method change	e been made for the current pl	an year? If "Yes," see instru	uctions reg	arding required attach	nment		<u>[</u>	Yes	× No
26	Is the	e plan required to	provide a Schedule of Active	Participants? If "Yes," see	instruction	s regarding required a	attachment		X	Yes	No
27			o alternative funding rules, ent			0 0	27				
	rt VII		ation of Unpaid Minimu	•							
28			uired contributions for all prior	•			28				0
29			contributions allocated toward				29				0
30	Rema	aining amount of	f unpaid minimum required cor	ntributions (line 28 minus line	e 29)		30				0
Ра	rt VII	I Minimum	Required Contribution	For Current Year							
31	Targ	et normal cost a	nd excess assets (see instruct	ions):							
	a Tar	get normal cost	(line 6)				31a				0
	b Ex	cess assets, if ap	pplicable, but not greater than	line 31a			31b				0
32	Amoi	rtization installme	ents:			Outstanding Balar	nce	In	stallme	ent	
	a Ne	t shortfall amortiz	zation installment				132640				23637
	b Wa	aiver amortizatior	n installment				0				0
33	lf a w (Mon		approved for this plan year, en Day Year	ter the date of the ruling letter () and the waived amo			33				
34	Total	funding requirer	ment before reflecting carryove	er/prefunding balances (lines	s 31a - 31I	o + 32a + 32b - 33)	34				23637
				Carryover balance		Prefunding balan	се	Tot	al bala	nce	
35			use to offset funding								
36	Addit	tional cash requir	rement (line 34 minus line 35)				36				23637
37	Cont	ributions allocate	ed toward minimum required co	ontribution for current year a	adjusted to	valuation date	37				166329
38		,	ess contributions for current ye								
			y, of line 37 over line 36)				38a				142692
	-		line 38a attributable to use of				38b				0
39			uired contribution for current ye	· · ·			39				0
40			uired contributions for all years				40				0
-	rt IX		Funding Relief Under F								
41	If an e	election was mad	de to use PRA 2010 funding re	lief for this plan:							
	a Sch	hedule elected					🗌	2 plus 7 year	s	15 ye	ears
	b Elio	gible plan year(s)) for which the election in line	41a was made			200	8 2009	2010	2	2011
42			n adjustment				42		<u>I</u>	<u> </u>	
			celeration amount to be carrie				43				
-							-				

YEARS OF CREDITED SERVICE

Attained	U	nder 1 Avg.	1	To 4 Avg.	5	To 9 Avg.	10 7	Го 14 Avg.	15	To 19 Avg.	2	0 To 24 Avg		25	To 29 Avg.	30	To 34 Avg.	3	5 To 39 Avg.	40) & Up Avg.
Age	No.	Comp	No.	Comp	No.	Comp	No.	Comp	No.	Comp	No	. Com	,	No.	Comp	No.		No	. Comp	No.	Comp
Under 25	0	0	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0
25 to 29	0	0	1	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0
											_			_							
30 to 34	0	0	3	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0
											_									-	ļ
35 to 39	0	0	1	0	0	0	0	0	0	0	_	0	0	0	0	0	0	0	0	0	0
											_					<u> </u>				-	
40 to 44	0	0	2	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0
45 4 40	0	0		0			0				+	0	0	0		0	0	0			0
45 to 49		0	5	0	0	0	0	0	0	0	_	0		0	0		0		0	0	
50 to 54	0	0	6	0	0	0	0	0	0	0		<u> </u>	0	0	0	0	0	0	0		0
50 10 54		0				•		0		, v		,	-			+					
55 to 59	0	0	8	0	0	0	0	0	0	0	-	0	0	0	0	0	0	0	0		0
	Ť									-		-	-								
60 to 64	0	0	3	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0
65 to 69	0	0	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0
70 & Up	0	0	1	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0

Name of plan: Plan sponsor's name: Northwest Orthopaedic Associates Defined Benefit Plan

Plan number: EIN:

91-1606533

002

name: Proliance Surgeons, Inc., P.S.

NORTHWEST ORTHOPAEDIC ASSOCIATES DEFINED BENEFIT PLAN EIN: 91-1606533 Plan Number: 002 Schedule SB, Part V – Statement of Actuarial Assumptions/Methods

ECONOMIC ASSUMPTIONS

	December 31, 2011	December 31, 2012
Interest rates:		
1st Segmented Interest Rate (0-5 years)	2.01%	1.69%
2nd Segmented Interest Rate (5-20 years)	5.16%	4.53%
3rd Segmented Interest Rate (20+ years)	6.28%	5.60%
Effective Interest Rate	5.59%	4.90%
Traditional funding	7.00%	7.00%
FAS 35 liability	7.00%	7.00%
Salary scale:		
ERISA funding	0.00%	0.00%
Maximum compensation limit	\$245,000	\$250,000
Maximum benefit limit	\$195,000	\$200,000
Expenses	\$0	\$0

ACTUARIAL METHODS

Minimum and maximum contributions Actuarial value of assets Plan Year Measurement date

Market value of assets January 1 to December 31 December 31

Traditional funding methods Normal cost and accrued liability

Individual Aggregate Cost Method

NORTHWEST ORTHOPAEDIC ASSOCIATES DEFINED BENEFIT PLAN EIN: 91-1606533 Plan Number: 002 Schedule SB, Part V – Statement of Actuarial Assumptions/Methods

DEMOGRAPHIC ASSUMPTIONS

Mortality - Funding (Post PPA) Post-retirement Pre-retirement	2012 Optional Small Plans Male/Female None
Mortality - 417(e) (Post PPA) Post-retirement Pre-retirement	2012 Applicable Mortality Table None
Mortality - Traditional (Pre PPA) Post-retirement Pre-retirement	1994 GAR Mortality Table None
Probability of Lump Sum	95%
Termination	None
Disability	None
Retirement Age	Age 62

For	m 5500-SF	Short Form Annual F		of Small Emplo	yee		OMB Nos. 1210-0110 1210-0089			
	rtment of the Treasury nal Revenue Service	This form is required to be file	Benefit Plan ed under sections 104 a	nd 4065 of the Employe	e		2012			
	epartment of Labor enefits Security Administration	Retirement Income Security Act of		ctions 6057(b) and 6058		This Form	is Open to Public			
Pension Be	enefit Guaranty Corporation	Complete all entries in according to the second	rdance with the instru	ctions to the Form 550	0-SF.		spection			
Part I	Annual Report lo	dentification Information				- Laurence	11. 10. 10.			
the second se	ar plan year 2012 or fisc		1/01/2012	and ending		12/31/201	2			
A This ret	urn/report is for:	X a single-employer plan] a multiple-employer p	an (not multiemployer)		a one-partic	ipant plan			
B This ret	urn/report is:	the first return/report								
		an amended return/report	a short plan year retur	n/report (less than 12 m	onths)				
C Check I	box if filing under:	X Form 5558	automatic extension			DFVC progr	am			
		special extension (enter descripti	on)							
Part II	Basic Plan Infor	mation-enter all requested inform	nation							
1a Name	of plan				1b	Three-digit				
Northw	est Orthopaedi	c Associates Defined H	Benefit Plan			plan number	002			
						(PN)				
					10	Effective date of 01/01/200				
	oonsor's name and addr nce Surgeons,	ress; include room or suite number (Inc., P.S.	employer, if for a single-	employer plan)	2b	Employer Ident (EIN) 91-16	ification Number 06533			
875 Sw:	ift Boulevard				2c	Sponsor's telep	ohone number			
Richlar	nd	WA 99352-3592			2d	2d Business code (see instructions) 621111				
		address Same as Plan Sponsor	Name Same as Plar	Sponsor Address	3b	Administrator's	Administrator's EIN			
Proliar	nce Surgeons, 1	Inc., P.S.	—		91-1606533 3c Administrator's telephone number					
875 Sw: Richlar	ift Boulevard	WA 99352-3592				509-946-1				
4 If the r	name and/or EIN of the p	blan sponsor has changed since the per from the last return/report.	last return/report filed fo	or this plan, enter the	4b	EIN 91-110	7815			
a Sponso	•	Northwest Orthopa	edic Associate	S	4c	PN 004				
-		t the beginning of the plan year	and the second s	Contraction of the second second second	5a		30			
····		t the end of the plan year			5b		0			
	•	count balances as of the end of the			50		<u></u>			
					5c					
6a Were	all of the plan's assets of	during the plan year invested in eligib	ole assets? (See instruc	tions.)			X Yes 🗌 No			
		ne annual examination and report of								
		See instructions on waiver eligibility					X Yes 🗌 No			
-		er line 6a or line 6b, the plan can	and the second second second	vision or or	545	out the same tends to and	(*			
		incomplete filing of this return/re								
SB or Sche		r penalties set forth in the instructior signed by an enrolled actuary, as we te.								
SIGN	Graba 11	Stalleli		John W. Staehe	eli					
HERE	Signature of plan adr	Enter name of individ	ual sig	ning as plan ad	ministrator					
SIGN			Date 10-14-13							
HERE	Signature of employe		Date	Enter name of individ						
		me, if applicable) and address; inclue	de room or suite numbe	r (optional)	Prep	parer's telephone	e number (optional)			
Jodi Ca						509-838	3-5500			
And the second s	& Hurley, Ind									
DUL W F	Riverside, Suit	-E 1000								
Spokane	2	WA 99201								

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

7 Plan Assets and Liabilities		(a) Beginning of Yea	ar			(b) End o	f Year	
a Total plan assets	Total plan assets							(
b Total plan liabilities	. 7b		C					(
c Net plan assets (subtract line 7b from line 7a)	. 7c	7	02947					(
8 Income, Expenses, and Transfers for this Plan Year		(a) Amount				(b) To	tal	
a Contributions received or receivable from: (1) Employers								
(2) Participants	8a(2)							
(3) Others (including rollovers)	. 8a(3)							
b Other income (loss)			95586					
C Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c						2	62018
d Benefits paid (including direct rollovers and insurance premiums		0	60291					
to provide benefits)	. 8d	91	00291					
e Certain deemed and/or corrective distributions (see instructions)	. 8e							
f Administrative service providers (salaries, fees, commissions)	. 8f		4674					
g Other expenses	. 8g							
h Total expenses (add lines 8d, 8e, 8f, and 8g)	1 1			<u> </u>				6496
Net income (loss) (subtract line 8h from line 8c)	8i				1		-7	0294
j Transfers to (from) the plan (see instructions)	· 8j							
b If the plan provides welfare benefits, enter the applicable welfare ference of the second s								
10 During the plan year:					1-	ili		
			P	es	No	Α	mount	
a Was there a failure to transmit to the plan any participant contribut 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fidu			10a		x	Α	mount	
	uciary Correct ? (Do not incl	ion Program) ude transactions reported				A	mount	
29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fidu b Were there any nonexempt transactions with any party-in-interest	uciary Correct ? (Do not incl	ion Program) ude transactions reported	10a 10b		x	A		0000
 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fidu Were there any nonexempt transactions with any party-in-interest on line 10a.) 	iciary Correct ? (Do not incl fidelity bond,	ion Program) ude transactions reported that was caused by fraud	10a 10b	X	x	A		0000
 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fidu b Were there any nonexempt transactions with any party-in-interest on line 10a.) c Was the plan covered by a fidelity bond? d Did the plan have a loss, whether or not reimbursed by the plan's 	iciary Correct ? (Do not incl fidelity bond, her persons b of the benefits	ion Program) ude transactions reported that was caused by fraud y an insurance carrier, under the plan? (See	10a 10b 10c	X	x x	A 		0000
 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fidu b Were there any nonexempt transactions with any party-in-interest on line 10a.) c Was the plan covered by a fidelity bond? d Did the plan have a loss, whether or not reimbursed by the plan's or dishonesty? e Were any fees or commissions paid to any brokers, agents, or oth insurance service or other organization that provides some or all of 	iciary Correct ? (Do not incl fidelity bond, ner persons by of the benefits	ion Program) ude transactions reported that was caused by fraud y an insurance carrier, under the plan? (See	10a 10b 10c 10d	x	x x x	A		0000
 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fidu b Were there any nonexempt transactions with any party-in-interest on line 10a.) c Was the plan covered by a fidelity bond? d Did the plan have a loss, whether or not reimbursed by the plan's or dishonesty? e Were any fees or commissions paid to any brokers, agents, or oth insurance service or other organization that provides some or all or instructions.) 	iciary Correct ? (Do not incl fidelity bond, her persons by of the benefits n?	ion Program) ude transactions reported that was caused by fraud y an insurance carrier, under the plan? (See	10a 10b 10c 10d 10e 10f	X	x x x x	A		0000
 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fidu b Were there any nonexempt transactions with any party-in-interest on line 10a.) c Was the plan covered by a fidelity bond? d Did the plan have a loss, whether or not reimbursed by the plan's or dishonesty? e Were any fees or commissions paid to any brokers, agents, or oth insurance service or other organization that provides some or all or instructions.) f Has the plan failed to provide any benefit when due under the plan 	iciary Correct ? (Do not incl fidelity bond, ner persons by of the benefits n? s of year end. (See instruction	ion Program) ude transactions reported that was caused by fraud y an insurance carrier, under the plan? (See) ons and 29 CFR	10a 10b 10c 10d 10e	X	x x x x x	A		0000
 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fidu b Were there any nonexempt transactions with any party-in-interest on line 10a.) c Was the plan covered by a fidelity bond? d Did the plan have a loss, whether or not reimbursed by the plan's or dishonesty? e Were any fees or commissions paid to any brokers, agents, or oth insurance service or other organization that provides some or all or instructions.) f Has the plan failed to provide any benefit when due under the plan g Did the plan have any participant loans? (If "Yes," enter amount as h If this is an individual account plan, was there a blackout period? (If the plan have any plan) 	iciary Correct ? (Do not incl fidelity bond, ner persons b of the benefits n? s of year end. (See instruction ne required not	ion Program) ude transactions reported that was caused by fraud y an insurance carrier, under the plan? (See) ons and 29 CFR	10a 10b 10c 10d 10d 10e 10f	X	x x x x x	A		0000
 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fidule Were there any nonexempt transactions with any party-in-interest on line 10a.) c Was the plan covered by a fidelity bond?	iciary Correct ? (Do not incl fidelity bond, ner persons b of the benefits n? s of year end. (See instruction ne required not	ion Program) ude transactions reported that was caused by fraud y an insurance carrier, under the plan? (See) ons and 29 CFR	10a 10b 10c 10d 10d 10f 10g 10h	X	x x x x x			0000
 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fidu b Were there any nonexempt transactions with any party-in-interest on line 10a.) c Was the plan covered by a fidelity bond? d Did the plan have a loss, whether or not reimbursed by the plan's or dishonesty? e Were any fees or commissions paid to any brokers, agents, or oth insurance service or other organization that provides some or all c instructions.) f Has the plan have any participant loans? (If "Yes," enter amount as h If this is an individual account plan, was there a blackout period? (2520.101-3.) i If 10h was answered "Yes," check the box if you either provided the exceptions to providing the notice applied under 29 CFR 2520.107 Part VI Pension Funding Compliance 	iciary Correct ? (Do not incl fidelity bond, fidelity bond, ner persons by of the benefits n? s of year end. (See instruction re required not 1-3	ion Program) ude transactions reported that was caused by fraud y an insurance carrier, under the plan? (See)	10a 10b 10c 10d 10d 10e 10f 10g 10h 10h 10i	X	X X X X X X X x = SB (F	Form		
 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fidu b Were there any nonexempt transactions with any party-in-interest on line 10a.) c Was the plan covered by a fidelity bond?	iciary Correct ? (Do not incl fidelity bond, fidelity bond, ner persons b of the benefits n? s of year end. (See instruction the required not 1-3	ion Program) ude transactions reported that was caused by fraud y an insurance carrier, under the plan? (See) ons and 29 CFR otice or one of the	10a 10b 10c 10d 10d 10e 10f 10g 10h 10i	X	X X X X X X X X x	Form	31	
 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fidu b Were there any nonexempt transactions with any party-in-interest on line 10a.) c Was the plan covered by a fidelity bond?	Iciary Correct ? (Do not incl fidelity bond, ner persons by of the benefits n? s of year end. (See instruction ne required not 1-3 lents? (If "Yes	ion Program) ude transactions reported that was caused by fraud y an insurance carrier, under the plan? (See) ons and 29 CFR otice or one of the	10a 10b 10c 10d 10e 10f 10g 10h 10i	X 	X X X X X X X X A A A A A A A A A A A A		31 X Yes 0	 No
 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fidu Were there any nonexempt transactions with any party-in-interest on line 10a.) Was the plan covered by a fidelity bond?	iciary Correct ? (Do not incl fidelity bond, fidelity bond, ner persons by of the benefits n? s of year end. (See instruction the required not 1-3 ients? (If "Yes requirements	ion Program) ude transactions reported that was caused by fraud y an insurance carrier, under the plan? (See) ons and 29 CFR otice or one of the ," see instructions and com	10a 10b 10c 10d 10e 10f 10g 10h 10i	X 	X X X X X X X X A A A A A A A A A A A A		31 X Yes 0	No
 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fidules) Were there any nonexempt transactions with any party-in-interest on line 10a.)	iciary Correct ? (Do not incl fidelity bond, her persons b of the benefits n? s of year end. (See instruction te required not 1-3 	ion Program) ude transactions reported that was caused by fraud y an insurance carrier, under the plan? (See)	10a 10b 10c 10d 10d 10e 10f 10g 10h 10i 0r sect tions, a	X x x x x x x x x x x x x x	X X X X X X X A X A A A A A A A A A A A	Form	3 (X Yes 0 Yes	No X No
 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fidules) Were there any nonexempt transactions with any party-in-interest on line 10a.)	iciary Correct ? (Do not incl fidelity bond, her persons b of the benefits n? s of year end. (See instruction te required not 1-3 	ion Program) ude transactions reported that was caused by fraud y an insurance carrier, under the plan? (See)	10a 10b 10c 10d 10d 10e 10f 10g 10h 10i 0r sect tions, a	X x x x x x x x x x x x x x	X X X X X X X X X X Z Z Z Z Z Z Z Z Z Z	Form	3 I X Yes 0 Yes	X No

SCHEDULE SB	Single-Emp	lover [Defined	l Ben	efit Plan		ON	IB No. 1210-0110	
(Form 5500)	Actuarial Information						2012		
Department of the Treasury Internal Revenue Service		rad to be file	d under co	otion 104	of the Employee				
Department of Labor Employee Benefits Security Administration	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).						This Form is Open to Public Inspection		
Pension Benefit Guaranty Corporation								mapection	
For calendar plan year 2012 or fiscal p		01/01/2		5500 01 3	and ending		12/31	/2012	
 Round off amounts to nearest do 	<u> </u>				¥.				
Caution: A penalty of \$1,000 will be	e assessed for late filing of t	his report u	nless reaso	nable ca	use is established.				
A Name of plan					B Three-digit				
Northwest Orthopaedic	Associates Defir	ned Bene	efit Pl	an	plan numbe	r (PN)	•	002	
C Plan sponsor's name as shown on li	ine 2a of Form 5500 or 5500)-SF			D Employer Ide	entificat	ion Numbe	r (EIN)	
·					91-1606533				
Proliance Surgeons, I									
E Type of plan: X Single Multipl	e-A 🔲 Multiple-B	F P	rior year pla	n size: [>	100 or fewer	101-50		e than 500	
Part I Basic Information								Manna Manna Manna Manna	
1 Enter the valuation date:	Month <u>12</u> Da	ay <u>31</u>	Year	2012					
2 Assets:					Г	2-		793610	
a Market value						2a 2b		793610	
b Actuarial value					·····				
3 Funding target/participant count t			3a	(1) N	lumber of participa	0		2) Funding Target 0	
a For retired participants and ber			3b			0		0	
b For terminated vested participation	ints		่างม			0			
c For active participants:			3c(1)					0	
(1) Non-vested benefits			3c(1)					926250	
			3c(3)	<u> </u>		30		926250	
(3) Total active d Total			3d			30		926250	
the second secon	the second se								
4 If the plan is in at-risk status, che						4a			
a Funding target disregarding pr									
b Funding target reflecting at-risk status for fewer than	five consecutive years and	disregarding	j loading fa	ctor	nave been in	4b			
5 Effective interest rate						5		4.90%	
6 Target normal cost						6		(
Statement by Enrolled Actuary To the best of my knowledge, the information accordance with applicable law and regulation combination, offer my best estimate of anticipe	is. In my opinion, each other assumpt	panying schedul tion is reasonab	es, statements le (taking into a	and attachr ccount the	nents, if any, is complete experience of the plan ar	e and accu nd reason	urate. Each pre able expectati	escribed assumption was applied in ons) and such other assumptions, in	
SIGN HERE Marc McCall ✓	A. WANNE				_		10/07	/2013	
	Signature of actuary						Dat		
Marc M. McCall							1100		
Type Randall & Hurley, Inc.	e or print name of actuary					Most	recent enro 509-83	bllment number 8−5500	
	Firm name				Tel	ephone	e number (i	ncluding area code)	
601 W. Riverside, Suite	1600								
Spokane WA	99201	11 - 11	1						
	Address of the firm							······································	
If the actuary has not fully reflected any instructions	/ regulation or ruling promule	gated under	the statute	in comp	leting this schedule	e, chec	k the box a	nd see	

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

Page	2	

Da	rt II	Regin	ning of Year C	arryov	er Prefunding Balance	S						
га		Degin	ining of Teal O	anyov		-	(a) Ca	arryover balance		(b) P	refundir	ng balance
7					cable adjustments (line 13 fro				0			0
8					unding requirement (line 35 fr				0			0
9									0			0
10					urn of <u>14.01</u> %				0	-		0
11					to prefunding balance:							
					38a from prior year)							240
	b Inter	est on (a)	using prior year's	effective i	nterest rate of <u>5.59</u> % e	except						0
	c Total	available	at beginning of curre	ent plan ye	ear to add to prefunding balanc	ə						240
	d Porti	on of (c)	to be added to pref	unding ba	lance	<u></u>						0
12	Other r	eductions	s in balances due to	election	s or deemed elections				0		-10	0
13	Balance	e at begir	nning of current yea	r (line 9 +	line 10 + line 11d – line 12)				0			0
Р	art III	Fun	ding Percenta	aes								
				-							14	85.67%
			target attainment								15	103.68%
	Prior ve	ear's fund	ling percentage for	purposes	of determining whether carry	over/prefun	ding balan	ces may be used to	reduce		16	73.73%
17					s less than 70 percent of the						17	%
Р	art IV	Con	tributions and	liquidi	tv shortfalls							
					ear by employer(s) and empl	ovees:						
10	(a) Da		(b) Amount pa		(c) Amount paid by	(a) Da		(b) Amount paid	by	(0		nt paid by
(N	/M-DD-Y	(YYY)	employer(s		employees	(MM-DD-`	(111)	employer(s)			emp	oyees
1:	2/21/2	2012]	.66432	0							
												110
												·
										<u> </u>		
								·····				
-												
										10()		0
						Totals <	18(b)		66432	2 18(c)		0
19					structions for small plan with							
					nimum required contributions				19a			0
					djusted to valuation date				19b			0
	c Con	tributions	allocated toward mi	nimum rea	quired contribution for current y	ear adjusted	to valuation	n date	19c			166329
20			butions and liquidit						L		r	<u> </u>
					the prior year?							X Yes No
	b If 20	0a is "Yes	s," were required qu	arterly in	stallments for the current yea	r made in a	timely mar	nner?	······			Yes X No
					lete the following table as ap							
					Liquidity shortfall as of e							
		(1) 1	st		(2) 2nd		(3)	3rd			(4) 4	in

Page 3

Pa	rt V	Assumptio	ns Used to Determine I	Funding Target and Tar	get Normal Cost		a ta an
21	Discou	unt rate:					
	a Seg	gment rates:	1st segment: 1.69%	2nd segment: 4.53%	3rd segment : 5.60%		N/A, full yield curve used
	b App	licable month ((enter code)			21b	1
22	Weigh	nted average ret	tirement age			22	62
23	Mortal	lity table(s) (se	e instructions) X Pre	scribed - combined	Prescribed - separate	Substitut	e
Pa	t VI	Miscellane	ous Items				
	Has a	change been n	nade in the non-prescribed act	uarial assumptions for the curre	ent plan year? If "Yes," see i	instructions	regarding required
25			e been made for the current pla	· · · · · · · · · · · · · · · · · · ·			
26			o provide a Schedule of Active				
27	If the	plan is subject t	to alternative funding rules, ent	er applicable code and see ins	ructions regarding	27	
Pa	rt VII		ation of Unpaid Minimu				
28			uired contributions for all prior			28	0
29	Disco	unted employer	r contributions allocated toward	unpaid minimum required con	tributions from prior years	29	0
30			of unpaid minimum required cor			30	0
	rt VIII		Required Contribution		· · · · · · · · · · · · · · · · · · ·		
31			and excess assets (see instruct				
			(line 6)			31a	0
			applicable, but not greater than			31b	0
32		tization installm			Outstanding Bala	nce	Installment
	a Net	t shortfall amorti	ization installment			132640	23637
	b Wa	iver amortizatio	on installment			0	0
33		aiver has been th	approved for this plan year, en Day Year	ter the date of the ruling letter () and the waived amour	granting the approval	33	
34	Total		ement before reflecting carryove			34	23637
		<u> </u>	<u></u>	Carryover balance	Prefunding bala	nce	Total balance
35	Balar requi	nces elected for rement	r use to offset funding				
36	Addit	ional cash requ	irement (line 34 minus line 35)			36	23637
	Contr	ributions allocat	ted toward minimum required c	ontribution for current year adju	isted to valuation date	37	166329
38			cess contributions for current ye				
			ny, of line 37 over line 36)			38a	142692
			n line 38a attributable to use of			38b	0
39			quired contribution for current y			39	0
40			quired contributions for all year			40	0
Pa	rt IX		Funding Relief Under)	
41	If an o		ade to use PRA 2010 funding r				
						Г	2 plus 7 years
			(s) for which the election in line				8 2009 2010 2011
42			ion adjustment			42	
-			acceleration amount to be carrie		43		

NORTHWEST ORTHOPAEDIC ASSOCIATES DEFINED BENEFIT PLAN EIN: 91-1606533 PLAN NUMBER: 002 SCHEDULE SB, LINE 22 – DESCRIPTION OF WEIGHTED AVERAGE RETIREMENT AGE

Rate of Retirement <u>Age</u> 62

100%

The weighted average retirement age is the Normal Retirement Age as specified by the Plan.

NORTHWEST ORTHOPAEDIC ASSOCIATES DEFINED BENEFIT PLAN EIN: 91-1606533 PLAN NUMBER: 002 Schedule SB, line 19 – Discounted Employer Contributions

Effective Int. Rate, Current Year:	4.90%	
Quarterly Interest Penalty:	5.00%	
PV Determination Date (Val Date):	12/31/2012	
Quarterly Due Date #1:	4/15/2012	
Quarterly Due Date #2:	7/15/2012	
Quarterly Due Date #3:	10/15/2012	
Quarterly Due Date #4:	1/15/2013	
Quarterly Contribution Amount:	5,318.00	
Minimum Req. Contrib:	23,637.00	
Date		12/21/2012
Total Contribution	Total	
	Total	166,431.87
4/15/2012 Quarterly		
Amount Applied	5,318.00	5,318.00
Present Value	5,158.08	5,158.08
7/15/2012 Quarterly		
Amount Applied	5,318.00	5,318.00
Present Value	5,218.01	5,218.01
10/15/2012 Quarterly		
Amount Applied	5,318.00	5,318.00
Present Value	5,279.32	5,279.32
1/15/2013 Quarterly		
Amount Applied	5,318.00	5,318.00
Present Value	5,324.91	5,324.91
Remaining		
Amount Applied	145,159.87	145,159.87
Present Value	145,348.58	145,348.58
Total Amount Applied	166,431.87	166,431.87
Total Present Value	166,328.90	166,328.90

NORTHWEST ORTHOPAEDIC ASSOCIATES DEFINED BENEFIT PLAN EIN: 91-1606533 PLAN NUMBER: 002 SCHEDULE SB, PART V – SUMMARY OF PLAN PROVISIONS

BACKGROUND	
Effective Date	January 1, 2009
Latest Amendment Date	January 15, 2012
Plan Year	January 1 to December 31
DEFINITIONS	
Eligibility Service	Each Plan year in which 1,000 hours are completed while an employee.
Benefit Service	Each Plan year in which 1,000 hours are completed while a participant.
Vesting Service	Each Plan year in which 1,000 hours are completed while an employee.
Average Monthly Compensation	Average of all plan years of compensation (career average).
Normal Retirement Age	First day of the month coincident with or following age 62.
ELIGIBILITY PROVISIONS	
Eligibility for Participation	All employees become eligible to participate in the Plan on the January 1st or July 1st coincident or following the completion of one year of Eligibility Service and the attainment of age 21.

NORTHWEST ORTHOPAEDIC ASSOCIATES DEFINED BENEFIT PLAN EIN: 91-1606533 PLAN NUMBER: 002 SCHEDULE SB, PART V – SUMMARY OF PLAN PROVISIONS

BENEFITS						
Normal Retirement	0.5% of Average Monthly Compensation for each year of Benefit Service. The monthly Normal Retirement benefit for each year of Benefit Service for John Staeheli shall be 7.57%; for Gordon Hsieh shall be 7.18%; and for Lynn Scovazzo shall be 3.02%. The above amounts are offset by the actuarial value of the corresponding employer account balances in the 401(k) plan (i.e., floor-offset plan). Benefits were frozen effective Janary 15, 2012.					
Death, Disability, and Termination	Normal Retirement benefit accrued to date.					
Normal Form of Benefit	Single Life Annuity					
Vesting Percent	Years ofVestingVestedServicePercentageLess than 20%220%340%460%580%6 +100%					
PLAN PROVISION CHANGES						
Changes in Plan Provisions	Benefits were frozen effective January 15, 2012.					
Plan Provisions Effective After Valuation Date	No Plan provisions effective after the valuation date were recognized in the actuarial valuation.					
PLAN TRUSTEE(S)						
Plan Trustee(s)	John W. Staeheli Gordon H. Hsieh Lynn Scovazzo					

NORTHWEST ORTHOPAEDIC ASSOCIATES DEFINED BENEFIT PLAN EIN: 91-1606533 PLAN NUMBER: 002 Schedule SB, line 32 – Schedule of Amortization Bases

	Years		Intallment	Present Value at
Valuation Year	Left	Original Base	Amount	12/31/2012
2012	7	5,778	902	5,778
2011	6	133,393	21,094	118,925
2010	5	10,063	1,641	7,937
2009	4	0	0	0
2008	3	0	0	0
2007	2	0	0	0
2006	1	0	0	0
			23,637	132,640

SHORTFALL AMORTIZATION BASE AND INSTALLMENTS