

Form 5500-SF Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation		Short Form Annual Return/Report of Small Employee Benefit Plan This form is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA), and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500-SF.		OMB Nos. 1210-0110 1210-0089 2016 This Form is Open to Public Inspection	
Part I Annual Report Identification Information					
For calendar plan year 2016 or fiscal plan year beginning 12/01/2016 and ending 11/30/2017					
A This return/report is for:		☒ a single-employer plan ☐ a multiple-employer plan (not multiemployer) (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☐ a one-participant plan ☐ a foreign plan			
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 Check box if filing under:		☒ Form 5558 ☐ automatic extension ☐ DFVC program ☐ special extension (enter description)			
Part II Basic Plan Information —enter all requested information					
1a Name of plan ORTHOPAEDIC CONSULTANTS OF CINCINNATI, INC. DEFINED BENEFIT PLAN			1b Three-digit plan number (PN) ▶		002
			1c Effective date of plan		12/01/2013
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) ORTHOPAEDIC CONSULTANTS OF CINCINNATI, INC. 4701 CREEK ROAD SUITE 110 CINCINNATI, OH 45242			2b Employer Identification Number (EIN)		31-0741747
			2c Sponsor's telephone number		513-588-2485
			2d Business code (see instructions)		621111
3a Plan administrator's name and address ☒ Same as Plan Sponsor.			3b Administrator's EIN		
			3c Administrator's telephone number		
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.			4b EIN		
a Sponsor's name			4c PN		
5a Total number of participants at the beginning of the plan year			5a		27
b Total number of participants at the end of the plan year			5b		27
c Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)			5c		
d(1) Total number of active participants at the beginning of the plan year			5d(1)		27
d(2) Total number of active participants at the end of the plan year			5d(2)		27
e Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested			5e		1
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, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.					
SIGN HERE	Filed with authorized/valid electronic signature.	09/06/2018	JOYCE BILLOW		
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator		
SIGN HERE					
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor		
Preparer's name (including firm name, if applicable) and address (include room or suite number)				Preparer's telephone number	
For Paperwork Reduction Act Notice, see the Instructions for Form 5500-SF.					
Form 5500-SF (2016) v.160927					

- 6a** Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.) ☒ Yes ☐ No
- b** Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.) ☒ Yes ☐ No
- If you answered "No" to either line 6a or line 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.**
- c** If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☒ Yes ☐ No ☐ Not determined

Part III Financial Information

7 Plan Assets and Liabilities		(a) Beginning of Year	(b) End of Year
a Total plan assets	7a	5705062	7864709
b Total plan liabilities	7b		
c Net plan assets (subtract line 7b from line 7a)	7c	5705062	7864709
8 Income, Expenses, and Transfers for this Plan Year		(a) Amount	(b) Total
a Contributions received or receivable from:			
(1) Employers	8a(1)	1409414	
(2) Participants	8a(2)		
(3) Others (including rollovers)	8a(3)		
b Other income (loss)	8b	750233	
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c		2159647
d Benefits paid (including direct rollovers and insurance premiums to provide benefits)	8d		
e Certain deemed and/or corrective distributions (see instructions) ..	8e		
f Administrative service providers (salaries, fees, commissions)	8f		
g Other expenses	8g		
h Total expenses (add lines 8d, 8e, 8f, and 8g)	8h		
i Net income (loss) (subtract line 8h from line 8c)	8i		2159647
j Transfers to (from) the plan (see instructions)	8j		

Part IV Plan Characteristics

- 9a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
1C 3D
- b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

Part V Compliance Questions

10 During the plan year:		Yes	No	N/A	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? (See instructions and DOL's Voluntary Fiduciary Correction Program)	10a		X		
b Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.)	10b		X		
c Was the plan covered by a fidelity bond?	10c	X			500000
d Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	10d		X		
e Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service, or other organization that provides some or all of the benefits under the plan? (See instructions.)	10e		X		
f Has the plan failed to provide any benefit when due under the plan?	10f		X		
g Did the plan have any participant loans? (If "Yes," enter amount as of year-end.)	10g		X		
h If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	10h				
i If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	10i				

Part VI Pension Funding Compliance

11 Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500) and line 11a below)	☒ Yes ☐ No
11a Enter the unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40	11a 0
12 Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA?	☐ Yes ☒ No
(If "Yes," complete line 12a or lines 12b, 12c, 12d, and 12e below, as applicable.)	
a 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 letter ruling granting the waiver. Month _____ Day _____ Year _____	
If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.	
b Enter the minimum required contribution for this plan year	12b
c 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)	12d
e 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?	☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year	13a
b Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	☐ Yes ☒ No
c 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.)	
13c(1) Name of plan(s):	13c(2) EIN(s)
	13c(3) PN(s)

Part VIII Trust Information

14a Name of trust	14b Trust's EIN
14c Name of trustee or custodian	14d Trustee's or custodian's telephone number

Part IX IRS Compliance Questions

15a Is the plan a 401(k) plan? If "No," skip b.	☐ Yes	☐ No
15b How did the plan satisfy the nondiscrimination requirements for employee deferrals under section 401(k)(3) for the plan year? Check all that apply:	☐ Design-based safe harbor	☐ "Prior year" ADP test
	☐ "Current year" ADP test	☐ N/A
16a What testing method was used to satisfy the coverage requirements under section 410(b) for the plan year? Check all that apply:	☐ Ratio percentage test	☐ Average benefit test ☐ N/A
16b Did the plan satisfy the coverage and nondiscrimination requirements of sections 410(b) and 401(a)(4) for the plan year by combining this plan with any other plan under the permissive aggregation rules?	☐ Yes	☐ No
17a If the plan is a master and prototype plan (M&P) or volume submitter plan that received a favorable IRS opinion letter or advisory letter, enter the date of the letter ____ / ____ / ____ and the serial number _____.		
17b If the plan is an individually-designed plan that received a favorable determination letter from the IRS, enter the date of the most recent determination letter ____ / ____ / ____.		
18 Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service?	☐ Yes	☐ No
19 Was any plan participant a 5% owner who had attained at least age 70 ½ during the prior plan year?	☐ Yes	☐ No

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 2016 This Form is Open to Public Inspection
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For calendar plan year 2016 or fiscal plan year beginning 12/01/2016 and ending 11/30/2017

▶ **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>ORTHOPAEDIC CONSULTANTS OF CINCINNATI, INC. DEFINED BENEFIT PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>ORTHOPAEDIC CONSULTANTS OF CINCINNATI, INC.</u>	D Employer Identification Number (EIN) <u>31-0741747</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>12</u> Day <u>01</u> Year <u>2016</u>	
2 Assets:	
a Market value	2a <u>5694761</u>
b Actuarial value	2b <u>5694761</u>
3 Funding target/participant count breakdown	
a For retired participants and beneficiaries receiving payment	(1) Number of participants <u>0</u> (2) Vested Funding Target <u>0</u> (3) Total Funding Target <u>0</u>
b For terminated vested participants	<u>0</u> <u>0</u> <u>0</u>
c For active participants	<u>27</u> <u>4316314</u> <u>4318720</u>
d Total	<u>27</u> <u>4316314</u> <u>4318720</u>
4 If the plan is in at-risk status, check the box and complete lines (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 in at-risk status for fewer than five consecutive years and disregarding loading factor	4b
5 Effective interest rate	5 <u>5.77 %</u>
6 Target normal cost	6 <u>1238437</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	
Signature of actuary	<u>09/05/2018</u>
<u>HANS NIENABER</u>	Date
Type or print name of actuary	<u>17-05737</u>
<u>CUNI, RUST & STRENK, INC.</u>	Most recent enrollment number
Firm name	<u>513-985-6164</u>
<u>4555 LAKE FOREST DRIVE, SUITE 620</u>	Telephone number (including area code)
<u>CINCINNATI, OH 45242</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, see the Instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2016
v. 160205

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 (line 13 from prior year)	0	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of 3.57%	0	0
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38a from prior year)		1251706
b(1)	Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of 6.07%		75979
b(2)	Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c	Total available at beginning of current plan year to add to prefunding balance		1327685
d	Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	0

Part III Funding Percentages			
14	Funding target attainment percentage	14	131.86%
15	Adjusted funding target attainment percentage	15	131.86%
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	142.90%
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
12/29/2017	1409414	0			
Totals ►			18(b)	1409414	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 contributions 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 1326805
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year?		☐ Yes ☒ No
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?		☐ Yes ☐ No
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

Part V	Assumptions Used to Determine Funding Target and Target Normal Cost					
21	Discount rate:					
a	Segment rates:	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;">1st segment: 4.43%</td> <td style="width: 33%;">2nd segment: 5.91%</td> <td style="width: 33%;">3rd segment: 6.65%</td> </tr> </table>	1st segment: 4.43%	2nd segment: 5.91%	3rd segment: 6.65%	☐ N/A, full yield curve used
1st segment: 4.43%	2nd segment: 5.91%	3rd segment: 6.65%				
b	Applicable month (enter code)	21b	0			
22	Weighted average retirement age	22	62			
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 subject to 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 contributions for all prior years	28	0			
29	Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	0			
30	Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0			
Part VIII	Minimum Required Contribution For Current Year					
31	Target normal cost and excess assets (see instructions):					
a	Target normal cost (line 6)	31a	1238437			
b	Excess assets, if applicable, but not greater than line 31a	31b	1238437			
32	Amortization installments:	Outstanding Balance	Installment			
a	Net shortfall amortization installment	0	0			
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				
34	Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	0			
	Carryover balance	Prefunding balance	Total balance			
35	Balances elected for use to offset funding requirement	0	0			
36	Additional cash requirement (line 34 minus line 35)	36	0			
37	Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	1326805			
38	Present value of excess contributions for current year (see instructions)					
a	Total (excess, if any, of line 37 over line 36)	38a	1326805			
b	Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0			
39	Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0			
40	Unpaid minimum required contributions for all years	40	0			
Part IX	Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)					
41	If an election was made to use PRA 2010 funding relief for this plan:					
a	Schedule elected	☐ 2 plus 7 years ☐ 15 years				
b	Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011				
42	Amount of acceleration adjustment	42				
43	Excess installment acceleration amount to be carried over to future plan years	43				

2016 Schedule SB, line 19(c) – Discounted Employer Contributions

Plan Name: Orthopaedic Consultants of Cincinnati, Inc. Defined Benefit Plan

EIN: 31-074747

PN: 002

Effective Interest Rate: 5.77%

Effective Interest Rate for Late Quarterlies: N/A

<u>Date</u>	<u>Contribution Amount</u>	<u># Days to 12/1/2016</u>	<u>Discounted Contributions @ 5.77%</u>
12/29/2017	\$1,409,414	393	\$1,326,805
Total Contribution	\$1,409,414		\$1,326,805

2016 Schedule SB, line 22 -- Description of Weighted Average Retirement Age
Plan Name: Orthopaedic Consultants of Cincinnati, Inc. Defined Benefit Plan
EIN: 31-0741747
PN: 002

(A)	(B)	(C)	(D)	(E)
Retirement Age	Retirement Rates	Fraction Remaining	Probability Distribution	Sum Weighted Average Age
62	100.00%	0.00000	100.00%	62.00000

Weighted Average Retirement Age

62.0

The Retirement Rates (Column B) at each Early Retirement Age (Column A) are converted to a probability distribution (Column D). The products of Column A and Column D are summed to determine the resulting Weighted Average Retirement Age.

2016 Schedule SB, Line 24 Change in Actuarial Assumptions

Plan Name: Orthopaedic Consultants of Cincinnati, Inc. Defined Benefit Plan

EIN: 31-074747

PN: 002

Effective with the December 1, 2016 valuation, the following actuarial assumptions were changed to better reflect anticipated plan experience:

- The assumed rate of salary increase was changed to 3.00% per year.

2016 Schedule SB, Part V – Plan Provisions

Plan Name: Orthopaedic Consultants of Cincinnati, Inc. Defined Benefit Plan

EIN: 31-0741747

PN: 002

1. Effective Date: December 1, 2013.
2. Plan Year: December 1st through November 30th.
3. Covered Employees: Employees of Orthopaedic Consultants of Cincinnati, Inc.
4. Eligibility: December 1st or June 1st following the attainment of age 21 and the completion of one year of service.
5. Vesting Service: One Year of Vesting Service is granted for each Plan Year in which the Employee is credited with 1,000 hours.
6. Benefit Service: One Year of Benefit Service is granted for each Plan Year in which the Employee is credited with one hour while a Plan Participant.
7. Normal Retirement:
 - a. Eligibility Later of attainment of age 62 or the fifth anniversary of Plan participation.
 - b. Monthly Benefit 1/12th of the Actuarial Equivalent of the Participant's Cash Balance Account. The Cash Balance Account is the sum of the Contribution Credits (as described below) and Interest Credits using the Cash Balance Interest Rate (also described below). For each Year of Benefit Service, the Contribution Credit shall be allocated to a Participant's Cash Balance Account on the last day of the Plan Year in an amount equal to the following:

2016 Schedule SB, Part V – Plan Provisions**Plan Name: Orthopaedic Consultants of Cincinnati, Inc. Defined Benefit Plan****EIN: 31-0741747****PN: 002**

Prior to December 1, 2015:

Group	Contribution Credit
1	\$114,000
2	\$195,000
3	\$125,000
4	\$80,000
5	\$105,800
6	\$60,000
7	\$25,000
8	\$133,500
9	\$100,000
10	\$120,000
11	\$50,000
12	\$126,500
13	2.5% of Compensation

Effective December 1, 2015:

Group	Contribution Credit
1	\$114,000
2	\$195,000
3	\$150,000
4	\$110,000
5	\$85,000
6	\$120,000
7	\$25,000
8	\$155,000
9	\$100,000
10	\$50,000
11	2.5% of Compensation

2016 Schedule SB, Part V – Plan Provisions**Plan Name: Orthopaedic Consultants of Cincinnati, Inc. Defined Benefit Plan****EIN: 31-0741747****PN: 002**

Effective December 1, 2016:

Group	Contribution Credit
1	\$114,000
2	\$195,000
3	\$150,000
4	\$110,000
5	\$120,000
6	\$25,000
7	\$155,000
8	\$150,000
9	\$100,000
10	\$50,000
11	2.5% of Compensation

The Cash Balance Interest Rate shall be the actual rate of return on the investment of the Plan's assets; however, the cumulative Cash Balance Interest Rate for all years of Plan participation may not be less than zero nor greater than 8.5%.

8. Early Retirement:

a. Eligibility

No Early Retirement benefit offered.

b. Monthly Benefit

N/A.

9. Vested Retirement:

a. Eligibility

3 Years of Vesting Service.

b. Monthly Benefit

Accrued Benefit times the participant's vesting percentage.

2016 Schedule SB, Part V – Plan Provisions

Plan Name: Orthopaedic Consultants of Cincinnati, Inc. Defined Benefit Plan

EIN: 31-0741747

PN: 002

10. Disability Retirement:

- | | |
|----------------|--|
| a. Eligibility | Total and permanent disability. |
| b. Benefit | Accrued Benefit as of the Disability Retirement Date, reduced by one-fifteenth (1/15) for each of the first five years and one-thirtieth (1/30) for each of the next five years by which the starting date of the benefit precedes the Normal Retirement Date, and reduced actuarially for each additional year. |

11. Pre-Retirement Death:

- | | |
|----------------|---|
| a. Eligibility | A Participant with an Accrued Benefit. |
| b. Benefit | Actuarial Present Value of the Participant's Accrued Benefit. |

12. Payment Forms:

- | | |
|-------------|---|
| a. Normal | Life annuity for single participants and an Actuarially Equivalent 50% Joint & Survivor annuity for married participants. |
| b. Optional | Actuarially equivalent single premium, nontransferable annuity, periodic installment payments, or lump sum distribution. |

2016 Schedule SB, Part V – Plan Provisions

Plan Name: Orthopaedic Consultants of Cincinnati, Inc. Defined Benefit Plan

EIN: 31-0741747

PN: 002

13. Actuarial Equivalency:

a. Other than 417(e) Forms of Payment Pre-retirement: No mortality and 5.50% interest.
Post-retirement: The 417(e) Applicable
Mortality Table and 5.50% interest.

b. 417(e) Forms of Payment The greater of the payment calculated under (a)
and the payment calculated using the 417(e)
Applicable Mortality Table and 417(e)
Applicable Interest Rate for the fifth month prior
to the beginning of the Plan Year in which the
distribution occurs.

14. Maximum Annual Benefit:

\$210,000 per year for participants retiring at age
62 or later during the 2016 Plan Year.

15. Changes Since Last Year:

Benefit Formula changes.

2016 Schedule SB, Part V – Actuarial Assumptions

Plan Name: Orthopaedic Consultants of Cincinnati, Inc. Defined Benefit Plan

EIN: 31-0741747

PN: 002

1. Interest Rates:

Segment 1	4.43%
Segment 2	5.91%
Segment 3	6.65%

2. Mortality Rates:

Preretirement: None.

Postretirement: IRS 2016 Combined Small Plan Static Mortality Table.

Lump Sums: IRS 2016 Applicable Mortality Table

3. Salary Scale: 3.00% per year.

4. Retirement Rates: Normal Retirement Age under the Plan.

5. Termination Rates: None.

6. Disability Rates: None.

7. Plan Expenses: None.

8. Actuarial Cost Method: Unit Credit under PPA Rules.

9. Asset Valuation Method: Market Value.

10. Assumed Form of Benefit Payment: Actives assumed to elect lump sum distribution.

2016 Schedule SB, Part V – Actuarial Assumptions

Plan Name: Orthopaedic Consultants of Cincinnati, Inc. Defined Benefit Plan

EIN: 31-0741747

PN: 002

11. Rationale for Assumptions:

The IRS segment rates and mortality tables used to determine minimum funding and maximum deductible amounts are pursuant to IRS regulations. The discount rate for accounting liabilities was selected by the plan sponsor based upon consultation with the actuary and subject to approval by the auditor. The selection of other actuarial assumptions is based on the actuary's best estimate of future expectations based on an examination of historical results compared to expectations, periodic experience studies, Society of Actuaries mortality studies, and any reasonably certain information about future expected plan changes.

12. Changes Since Last Year:

The interest rates and mortality tables were updated to comply with PPA.

The assumed rate of salary increase was changed to 3.00%.

Plan Name: Orthopaedic Consultants of Cincinnati, Inc. Defined Benefit Plan
EIN: 31-0741747
PN: 002

EIN: 31-0741747

PN: 002

[illegible]

**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

2016**This Form is Open to Public Inspection**For calendar plan year 2016 or fiscal plan year beginning 12/01/2016 and ending 11/30/2017▶ **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 Orthopaedic Consultants of Cincinnati, Inc. Defined Benefit Plan	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Orthopaedic Consultants of Cincinnati, Inc.	D Employer Identification Number (EIN) 31-0741747
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>12</u> Day <u>01</u> Year <u>2016</u>			
2 Assets:			
a Market value	2a	5,694,761	
b Actuarial value	2b	5,694,761	
3 Funding target/participant count breakdown:	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	0	0	0
b For terminated vested participants	0	0	0
c For active participants	27	4,316,314	4,318,720
d Total	27	4,316,314	4,318,720
4 If the plan is in at-risk status, check the box and complete lines (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 in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5 Effective interest rate	5	5.77 %	
6 Target normal cost	6	1,238,437	

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

Hans Nienaber

Type or print name of actuary

Cuni, Rust & Strenk, Inc.

Firm name

4555 Lake Forest Drive, Suite 620

US Cincinnati

OH 45242

Address of the firm

09/05/2018

Date

17-05737

Most recent enrollment number

(513) 985-6164

Telephone number (including area code)

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, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2016
v. 160205

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 (line 13 from prior year)	0	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	0
10 Interest on line 9 using prior year's actual return of <u>3.57%</u>	0	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		1,251,706
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.07%</u>		75,979
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		1,327,685
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d - line 12)	0	0

Part III Funding Percentages

14 Funding target attainment percentage	14	131.86 %
15 Adjusted funding target attainment percentage	15	131.86 %
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	142.90 %
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
12/29/2017	1,409,414				
Totals ▶ 18(b)				1,409,414	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 contributions 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 1,326,805
20 Quarterly contributions and liquidity shortfalls:	
a Did the plan have a "funding shortfall" for the prior year?	☐ Yes ☒ No
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☐ Yes ☐ No
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

Part V Assumptions Used To Determine Funding Target and Target Normal Cost

21 Discount rate:				
a Segment rates:	1st segment: 4.43 %	2nd segment: 5.91 %	3rd segment: 6.65 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 0
22 Weighted average retirement age				22 62
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 subject to 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 contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	1,238,437	
b Excess assets, if applicable, but not greater than line 31a	31b	1,238,437	
32 Amortization installments:			
a Net shortfall amortization installment	Outstanding Balance	Installment	
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		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	0	
	Carryover balance	Prefunding Balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0
36 Additional cash requirement (line 34 minus line 35)	36	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	1,326,805	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	1,326,805	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		