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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-0047

2008

Open to Public Inspection

A For the 2008 calendar year, or tax year beginning 7/1/2008 , and ending 6/30/2009

B Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Termination
- ☐ Amended return
- ☐ Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization: Children's Orthopaedic Surg. Foundation, Inc.

Doing Business As:

Number and street (or P.O. box if mail is not delivered to street address): 300 Longwood Avenue — Room/suite: HU221

City or town, state or country, and ZIP + 4: Boston MA 02115

D Employer identification number: 04-2943146

E Telephone number: (617) 355-8699

G Gross receipts $: 37,194,841

F Name and address of principal officer: James R. Kasser 300 Longwood Avenue, Boston, MA 02115

H(a) Is this a group return for affiliates? ☐ Yes ☒ No

H(b) Are all affiliates included? ☐ Yes ☐ No

If "No," attach a list. (see instructions)

H(c) Group exemption number ▶ N/A

I Tax-exempt status: ☒ 501(c) (3) ◀ (insert no.) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ N/A

K Type of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation: 1986

M State of legal domicile: MA

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities: The Foundation provides orthopaedic surgery services, medical research and educational services to the Children's Hospital in Boston and the Harvard Medical School. The Foundation also provides care for patients located in Massachusetts in need of orthopaedic services, regardless of their ability to pay, as well as providing and subsidizing hospital and community based services that are limited in the community.

2 Check this box ▶ ☐ if the organization discontinued its operations or disposed of more than 25% of its assets.

3	Number of voting members of the governing body (Part VI, line 1a)	3	21
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	2
5	Total number of employees (Part V, line 2a)	5	26
6	Total number of volunteers (estimate if necessary)	6	NONE
7a	Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a	-504
b	Net unrelated business taxable income from Form 990-T, line 34	7b	NONE

		Prior Year	Current Year
Revenue 8	Contributions and grants (Part VIII, line 1h)	197,500	819,251
9	Program service revenue (Part VIII, line 2g)	27,109,576	33,748,688
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	623,149	246,380
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	0	0
12	Total revenue–add lines 8 through 11 (must equal Part VIII, column (A), line 12)	27,930,225	34,814,319
Expenses 13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	0	270,329
14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	18,663,655	21,054,045
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 0		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	5,071,781	5,441,453
18	Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	23,735,436	26,765,827
19	Revenue less expenses. Subtract line 18 from line 12	4,194,789	8,048,492

		Beginning of Year	End of Year
Net Assets or Fund Balances 20	Total assets (Part X, line 16)	26,966,103	35,084,520
21	Total liabilities (Part X, line 26)	4,845,665	5,467,781
22	Net assets or fund balances. Subtract line 21 from line 20	22,120,438	29,616,739

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here

Signature of officer — Date 5/13/10

JAMES R. KASSER, M.D. PRESIDENT

Type or print name and title

Paid Preparer's Use Only

Preparer's signature: Chad M Granum — Date 5/10/10 — Check if self-employed ▶ ☐ — Preparer's identifying number (see instructions)

Firm's name (or yours if self-employed), address, and ZIP + 4: Ernst & Young U.S. LLP, 55 Ivan Allen Jr Blvd. Suite 1000 Atlanta, GA 30308 — EIN ▶ 34-6565596 — Phone no. ▶ 404-874-8300

May the IRS discuss this return with the preparer shown above? (see instructions) ☐ Yes ☒ No

G-14

7

Part III Statement of Program Service Accomplishments (see instructions)

1 Briefly describe the organization's mission:
The Foundation provides orthopaedic surgery services to patients at Children's Hospital; and other health care providers at satellite locations. The mission strives to provide care for patients with a wide range of developmental, congenital, neuromuscular, and post traumatic problems of the musculoskeletal system. The Foundation also provides care for patients located in Massachusetts in need of orthopaedic services, regardless of their ability to pay.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No
If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No
If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses $ 24,148,172 including grants of $ 270,329) (Revenue $ 32,707,100)
The Foundation was organized exclusively for charitable, scientific and educational purposes, the Foundation provides orthopaedic surgery services primarily to patients at Children's Hospital in Boston; and other health care providers at satellite locations. The Foundation may charge for patient care, other medical services and related products, provided that any net income is used exclusively for the charitable, scientific and educational purposes for which the Foundation was created. The Foundation also provides care for patients located in Massachusetts in need of orthopaedic services regardless of their ability to pay, as well as providing and subsidizing hospital and community based services that are limited in the community.

4b (Code:) (Expenses $ 1,200,743 including grants of $ 0) (Revenue $ 1,101,165)
The Foundation carries on and promotes basic and applied medical research and education in the field of orthopaedics by teaching students and other medical and scientific personnel; by providing or supplementing income to research personnel through fellowships, research grants and stipends; and by giving lectures and publishing information concerning problems and research results in the field of pediatric orthopaedics in order to educate the general public and the medical profession.

4c (Code:) (Expenses $ 0 including grants of $ 0) (Revenue $ 0)

4d Other program services. (Describe in Schedule O.)
(Expenses $ 0 including grants of $ 0) (Revenue $ 0)

4e **Total program service expenses** ▶ $ 25,348,915 *(Must equal Part IX, Line 25, column (B).)*

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	X	
2	Is the organization required to complete Schedule B, Schedule of Contributors?	2	X	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		X
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities? *If "Yes," complete Schedule C, Part II*	4		X
5	**Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations.** Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? *If "Yes," complete Schedule C, Part III*	5		
6	Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		X
9	Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		X
10	Did the organization hold assets in term, permanent, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		X
11	Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? *If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable*	11	X	
12	Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12	X	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		X
14a	Did the organization maintain an office, employees, or agents outside of the U.S.?	14a		X
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, and program service activities outside the U.S.? *If "Yes," complete Schedule F, Part I*	14b		X
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? *If "Yes," complete Schedule F, Part II*	15		X
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? *If "Yes," complete Schedule F, Part III*	16		X
17	Did the organization report more than $15,000 on Part IX, column (A), line 11e? *If "Yes," complete Schedule G, Part I*	17		X
18	Did the organization report more than $15,000 total on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		X
19	Did the organization report more than $15,000 on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		X
20	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20		X
21	Did the organization report more than $5,000 on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21	X	
22	Did the organization report more than $5,000 on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22		X
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? *If "Yes," complete Schedule J*	23	X	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to question 25*	24a		X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		X
b	Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? *If "Yes," complete Schedule L, Part I*	25b		X
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	26	X	
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	27		X

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
28	During the tax year, did any person who is a current or former officer, director, trustee, or key employee:			
a	Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? *If "Yes," complete Schedule L, Part IV*	28a		X
b	Have a family member who had a direct or indirect business relationship with the organization? *If "Yes," complete Schedule L, Part IV*	28b		X
c	Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? *If "Yes," complete Schedule L, Part IV*	28c		X
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? *If "Yes," complete Schedule R, Part I*	33		X
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	34	X	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35		X
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		X

Part V Statements Regarding Other IRS Filings and Tax Compliance

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable	1a	23		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	26		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b		X	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file* this return. (see instructions)				
3a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?	3a			X
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*	3b			
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			X
b	If "Yes," enter the name of the foreign country: ▶ ..... See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a			X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			X
c	If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?	5c			
6a	Did the organization solicit any contributions that were not tax deductible?	6a			X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization provide goods or services in exchange for any quid pro quo contribution of more than $75?	7a			X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f			X
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h			
8	**Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			
9	**Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			
10	**Section 501(c)(7) organizations.** Enter:				
a	Initiation fees and capital contributions included on Part VIII, line 12	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter:				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			

Part VI **Governance, Management, and Disclosure** *(Sections A, B, and C request information about policies not required by the Internal Revenue Code.)*

Section A. Governing Body and Management

				Yes	No
	For each "Yes" response to lines 2–7b below, and for a "No" response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions.				
1a	Enter the number of voting members of the governing body	1a	21		
b	Enter the number of voting members that are independent	1b	2		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2			X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3		X	
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4			X
5	Did the organization become aware during the year of a material diversion of the organization's assets?	5			X
6	Does the organization have members or stockholders?	6		X	
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a		X	
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b		X	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:				
a	The governing body?	8a		X	
b	Each committee with authority to act on behalf of the governing body?	8b		X	
9a	Does the organization have local chapters, branches, or affiliates?	9a			X
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	9b			
10	Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	10		X	
11	Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	11			X

Section B. Policies

			Yes	No
12a	Does the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	X	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X	
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this is done*	12c	X	
13	Does the organization have a written whistleblower policy?	13		X
14	Does the organization have a written document retention and destruction policy?	14		X
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision:			
a	The organization's CEO, Executive Director, or top management official?	15a	X	
b	Other officers or key employees of the organization?	15b	X	
	Describe the process in Schedule O. (see instructions).			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		X
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ► MA

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.

☐ Own website ☐ Another's website ☒ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ► Dean Bauer (617)355-8699
300 Longwood Avenue, Boston, MA 02115

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Use Schedule J-2 if additional space is needed.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if the organization did not compensate any officer, director, trustee, or key employee.

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
James R. Kasser, MD President	60.	X		X				964,051	71,785	50,356
John Emmans, MD Treasurer	60.	X		X				769,524	0	32,342
Peter Waters, MD Clerk	60.	X		X				969,249	0	44,329
Michael Millis, MD Director	60.	X						664,373	0	41,886
Timothy M. Hresko, MD Director	60.	X						704,634	0	22,099
Brian Snyder, MD Director	60.	X						380,470	0	30,015
Lawrence Karlin, MD Director	60.	X						664,939	0	59,044
Seymour Zimbler, MD Director	60.	X						550,740	0	43,358
Young-Jo Kim, MD Director	60.	X						817,455	0	49,368
Mininder Kocher, MD Director	60.	X						939,761	0	65,362
Daniel Hedequist, MD Director	60.	X						862,775	0	33,997
Martha Murray, MD Director	60.	X						223,059	0	7,115
Donald Bae, MD Director	60.	X						800,575	0	7,640
Susan Mahan, MD Director	60.	X						275,348	0	4,640
Gregory Melkonian, MD Director	60.	X						514,869	0	24,919
Samantha Spencer, MD Director	60.	X						718,605	0	5,280
Travis Matheney, MD Director	60.	X						476,756	0	7,250

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees *(continued)*

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
Dennis Kramer, MD Director	60.	X						484,956	0	56,306
Yi-Meng Yen Director	60.	X						87,933	0	6,177
Lyle J. Micheli, MD Director	2.	X						0	0	0
Physicians' Org. at Children's Hospital Inc. Independent Board Member	2.		X					0	0	0
	0.							0	0	0
	0.							0	0	0
	0.							0	0	0
	0.							0	0	0
	0.							0	0	0
	0.							0	0	0
	0.							0	0	0
	0.							0	0	0
1b Total ▶								11,870,072	71,785	591,483

2 Total number of individuals (including those in 1a) who received more than $100,000 in reportable compensation from the organization ▶ 18

		Yes	No
3	Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*		X
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	X	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? *If "Yes," complete Schedule J for such person*		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization.

(A) Name and business address	(B) Description of services	(C) Compensation
Hart Associates 3 Allied Drive, Suite 312 Dedham MA 02026	Billing Services	707,622
		0
		0
		0
		0

2 Total number of independent contractors (including those in 1) who received more than $100,000 in compensation from the organization ▶ 1

Part VIII Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a Federated campaigns	1a	0				
	b Membership dues	1b	0				
	c Fundraising events	1c	0				
	d Related organizations	1d	700,000				
	e Government grants (contributions)	1e	94,251				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	25,000				
	g Noncash contributions included in lines 1a-1f: $ 0						
	h Total. Add lines 1a–1f			819,251			
Program Service Revenue		Business Code					
	2a Net patient service revenue	621300		25,012,672	25,012,672		
	b Other service revenue	621300		7,634,851	7,634,851		
	c Research, service & other revenue	541700		746,046	746,046		
	d Administrative, teaching & support	611710		355,119	355,119		
	e			0			
	f All other program service revenue			0			
	g Total. Add lines 2a–2f			33,748,688			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			525,610		-504	526,114
	4 Income from investment of tax-exempt bond proceeds			0			
	5 Royalties			0			
		(i) Real	(ii) Personal				
	6a Gross Rents						
	b Less: rental expenses						
	c Rental Income or (loss)	0	0				
	d Net rental income or (loss)			0			
		(i) Securities	(ii) Other				
	7a Gross amount from sales of assets other than inventory	2,101,292	0				
	b Less: cost or other basis and sales expenses	2,380,522	0				
	c Gain or (loss)	-279,230	0				
	d Net gain or (loss)			-279,230			-279,229
	8a Gross income from fundraising events (not including $ 0 of contributions reported on line 1c). See Part IV, line 18 a		0				
	b Less: direct expenses b		0				
	c Net income or (loss) from fundraising events			0			
	9a Gross income from gaming activities. See Part IV, line 19 a		0				
	b Less: direct expenses b		0				
	c Net income or (loss) from gaming activities			0			
	10a Gross sales of inventory, less returns and allowances a		0				
	b Less: cost of goods sold b		0				
	c Net income or (loss) from sales of inventory			0			
	Miscellaneous Revenue	Business Code					
	11a			0			
	b			0			
	c			0			
	d All other revenue			0			
	e Total. Add lines 11a–11d			0			
	12 Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e			34,814,319	33,748,688	-504	246,885

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.
All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21	270,329	270,329		
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	0			
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	0			
4 Benefits paid to or for members	0			
5 Compensation of current officers, directors, trustees, and key employees	14,447,322	14,447,322		
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7 Other salaries and wages	6,230,413	5,282,236	948,177	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	47,584		47,584	
9 Other employee benefits	566		566	
10 Payroll taxes	328,160	276,670	51,490	
11 Fees for services (non-employees):				
a Management	0			
b Legal	88,376		88,376	
c Accounting	45,505		45,505	
d Lobbying	0			
e Professional fundraising services. See Part IV, line 17	0			
f Investment management fees	39,335		39,335	
g Other	29,893		29,893	
12 Advertising and promotion	0			
13 Office expenses	479,303	370,476	108,827	
14 Information technology	0			
15 Royalties	0			
16 Occupancy	368,135	368,135		
17 Travel	0			
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	0			
20 Interest	0			
21 Payments to affiliates	0	0	0	0
22 Depreciation, depletion, and amortization	16,158	16,158	0	0
23 Insurance	643,512	643,512		
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a Bad debt expense	728,164	728,164		
b Billing and collections	1,025,524	1,025,524		
c Research education	888,667	888,667		
d Outside medical services	423,283	423,283		
e Professional education, dues & publications	312,077	312,077		
f All other expenses Other expenses	353,521	296,362	57,159	
25 **Total functional expenses.** Add lines 1 through 24f	26,765,827	25,348,915	1,416,912	0
26 **Joint Costs.** Check here ▶ ☐ if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

			(A) Beginning of year		(B) End of year
Assets	1	Cash–non-interest-bearing	981	1	3,120
	2	Savings and temporary cash investments	5,548,602	2	8,947,920
	3	Pledges and grants receivable, net	0	3	0
	4	Accounts receivable, net	3,220,105	4	4,045,362
	5	Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L	603,333	5	2,331,666
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	0
	7	Notes and loans receivable, net	375,000	7	312,500
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges	51,767	9	127,456
	10a	Land, buildings, and equipment: cost basis (10a 750,955)			
	b	Less: accumulated depreciation. Complete Part VI of Schedule D (10b 465,579)	268,311	10c	285,376
	11	Investments–publicly traded securities	11,987,962	11	14,898,209
	12	Investments–other securities. See Part IV, line 11	3,069,721	12	2,478,032
	13	Investments–program-related. See Part IV, line 11	0	13	0
	14	Intangible assets		14	
	15	Other assets. See Part IV, line 11	1,840,321	15	1,654,879
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)	26,966,103	16	35,084,520
Liabilities	17	Accounts payable and accrued expenses	358,222	17	419,754
	18	Grants payable		18	
	19	Deferred revenue	28,312	19	153,174
	20	Tax-exempt bond liabilities	0	20	0
	21	Escrow account liability. Complete Part IV of Schedule D		21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L	0	22	0
	23	Secured mortgages and notes payable to unrelated third parties	0	23	0
	24	Unsecured notes and loans payable	0	24	0
	25	Other liabilities. Complete Part X of Schedule D	4,459,131	25	4,894,853
	26	**Total liabilities.** Add lines 17 through 25	4,845,665	26	5,467,781
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ [X] and complete lines 27 through 29, and lines 33 and 34.**			
	27	Unrestricted net assets	21,963,796	27	29,251,767
	28	Temporarily restricted net assets	156,642	28	364,972
	29	Permanently restricted net assets		29	
		Organizations that do not follow SFAS 117, check here ▶ [ ] and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	22,120,438	33	29,616,739
	34	Total liabilities and net assets/fund balances	26,966,103	34	35,084,520

Part XI Financial Statements and Reporting

			Yes	No
1		Accounting method used to prepare the Form 990: [ ] Cash [X] Accrual [ ] Other		
2a		Were the organization's financial statements compiled or reviewed by an independent accountant?		X
b		Were the organization's financial statements audited by an independent accountant?	X	
c		If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	X	
3a		As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
b		If "Yes," did the organization undergo the required audit or audits?		

SCHEDULE A (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

To be completed by all section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2008

Open to Public Inspection

Name of the organization	Employer identification number
Children's Orthopaedic Surg. Foundation, Inc.	04-2943146

Part I **Reason for Public Charity Status** (All organizations must complete this part.) (see instructions)

The organization is not a private foundation because it is: (Please check only one organization.)

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.

2 ☐ A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)

3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**. (Attach Schedule H.)

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: ----------

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.

7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)

9 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)

10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**. (see instructions)

11 ☒ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.

a ☐ Type I b ☐ Type II c ☒ Type III–Functionally integrated d ☐ Type III–Other

e ☒ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).

f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box . . . . . ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

		Yes	No
(i)	A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?	11g(i)	X
(ii)	A family member of a person described in (i) above?	11g(ii)	X
(iii)	A 35% controlled entity of a person described in (i) or (ii) above?	11g(iii)	X

h Provide the following information about the organizations the organization supports.

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1–9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col.(i) of your support?		(vi) Is the organization in col. (i) organized in the U S ?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
Children's Hospital	04-2774441	3	X		X		X		N/A
Harvard University	04-2103580	2	X		X		X		N/A
									0
									0
									0
Total									0

Part II **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**
(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	0	0	0			0
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf	0	0	0			0
3 The value of services or facilities furnished by a governmental unit to the organization without charge	0	0	0			0
4 **Total** Add lines 1-3	0	0	0	0	0	0
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public support.** Subtract line 5 from line 4.						0

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4	0	0	0	0	0	0
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	0	0	0			0
9 Net income from unrelated business activities, whether or not the business is regularly carried on						0
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)	0	0	0			0
11 **Total support.** Add lines 7 through 10						0

12 Gross receipts from related activities, etc. (see instructions) 12

13 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶ ☐

Section C. Computation of Public Support Percentage

14	Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f))	14	0.00%
15	Public support percentage from 2007 Schedule A, Part IV-A, line 26f	15	0.00%

16a **33 1/3% support test–2008.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

b **33 1/3% support test–2007.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

17a **10%-facts-and-circumstances-test–2008.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ ☐

b **10%-facts-and-circumstances test–2007.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ ☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a ,or 17b, check this box and see instructions ▶ ☐

Part III Support Schedule for Organizations Described in Section 509(a)(2)
(Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	0	0	0	0	0	0
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose	0	0	0	0	0	0
3 Gross receipts from activities that are not an unrelated trade or business under section 513	0	0	0	0	0	0
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf	0	0	0	0	0	0
5 The value of services or facilities furnished by a governmental unit to the organization without charge						0
6 **Total.** Add lines 1-5	0	0	0	0	0	0
7a Amounts included on lines 1, 2, and 3 received from disqualified persons	0	0	0	0	0	0
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or $5,000	0	0	0	0	0	0
c Add lines 7a and 7b	0	0	0	0	0	0
8 **Public support** (Subtract line 7c from line 6.)						0

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9 Amounts from line 6	0	0	0	0	0	0
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	0	0	0	0	0	0
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						0
c Add lines 10a and 10b	0	0	0	0	0	0
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on	0	0	0	0	0	0
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)	0	0	0	0	0	0
13 **Total support.** (Add lines 9, 10c, 11, and 12.)						0

14 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶ ☐

Section C. Computation of Public Support Percentage

15	Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f))	15	0.00%
16	Public support percentage from 2007 Schedule A, Part IV-A, line 27g	16	0.00%

Section D. Computation of Investment Income Percentage

17	Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f))	17	0.00%
18	Investment income percentage from 2007 Schedule A, Part IV-A, line 27h	18	0.00%

19a **33 1/3% support tests–2008.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3% and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

b **33 1/3% support tests–2007.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶ ☐

Part IV **Supplemental Information.** Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. (see instructions)

PART II, Line 11H

The Children's Orthopaedic Surgery Foundation, Inc. (Foundation) is not required under regulations established by the Secretary, to make payments to Children's Hospital and Harvard Medical School due to the activities of the Foundation related to performing the functions of, or carrying out the purposes of Children's Hospital and Harvard Medical School.

Although, monetary support is not required, non-monetary support in the form of providing clinical services to Children's Hospital and teaching services to medical students of Harvard Medical School has been provided.

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization: Children's Orthopaedic Surg. Foundation, Inc.

Employer identification number: 04-2943146

Part I **Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate contributions to (during year)		
3	Aggregate grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit? ☑ Yes ☐ No

Part II **Conservation Easements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

☐ Preservation of land for public use (e.g., recreation or pleasure) ☐ Preservation of an historically important land area

☐ Protection of natural habitat ☐ Preservation of certified historic structure

☐ Preservation of open space

2 Complete lines 2a–2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

			Held at the End of the Year
a	Total number of conservation easements	2a	
b	Total acreage restricted by conservation easements	2b	
c	Number of conservation easements on a certified historic structure included in (a)	2c	
d	Number of conservation easements included in (c) acquired after 8/17/06	2d	

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff or volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ▶ $ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III **Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.** Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $ _____

(ii) Assets included in Form 990, Part X ▶ $ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ▶ $ _____

b Assets included in Form 990, Part X ▶ $ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)*

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply):

a ☐ Public exhibition
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other .....

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? . . ☐ Yes ☐ No

Part IV Trust, Escrow and Custodial Arrangements. Complete if organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? . . . ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

		Amount
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	1f	0

2a Did the organization include an amount on Form 990, Part X, line 21? . . . ☐ Yes ☒ No

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Investment earnings or losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	0				

2 Provide the estimated percentage of the year end balance held as:

a Board designated or quasi-endowment ▶ ..... %
b Permanent endowment ▶ ..... %
c Term endowment ▶ ..... %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

		Yes	No
(i) unrelated organizations	3a(i)		
(ii) related organizations	3a(ii)		
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Investments—Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land	0	0		0
b Buildings	0	264,239	33,430	230,809
c Leasehold improvements	0	156,209	101,642	54,567
d Equipment	0	330,507	330,507	0
e Other	0	0	0	0
Total. Add lines 1a–1e. *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				285,376

Part VII Investments—Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Financial derivatives and other financial products . . .	0	
Closely-held equity interests	0	
Other PO pooled investment funds	2,478,032	F
	0	
	0	
	0	
	0	
	0	
	0	
	0	
	0	
Total. *(Column (b) should equal Form 990, Part X, col. (B) line 12.)* ▶	2,478,032	

Part VIII Investments—Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation. Cost or end-of-year market value
	0	
	0	
	0	
	0	
	0	
	0	
	0	
	0	
	0	
	0	
Total. *(Column (b) should equal Form 990, Part X, col (B) line 13.)* ▶	0	

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
Due from Children's Hospital	407,893
Due from Physicians' Organization	772,511
Due from Sports Medicine Foundation, Inc.	418,264
Due from Harvard Medical School	56,211
	0
	0
	0
	0
	0
	0
Total. *(Column (b) should equal Form 990, Part X, col. (B) line 15.)* . . . . . ▶	1,654,879

Part X Other Liabilities. See Form 990, Part X, line 25.

(a) Description of liability	(b) Amount
Federal income taxes	0
Severance plan obligation	2,318,790
Due to Children's Hospital	1,099,279
Due to Physicians' Organization	106,794
Due to Children's Sports Medicine Foundation, Inc	274,630
Accrued deferred compensation obligation	1,095,360
	0
	0
	0
	0
	0
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25.)* ▶	4,894,853

In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48.

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	34,814,319
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	26,765,827
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	8,048,492
4	Net unrealized gains (losses) on investments	4	39,498
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	-591,689
9	Total adjustments (net). Add lines 4–8	9	-552,191
10	Excess or (deficit) for the year per financial statements. Combine lines 3 and 9	10	7,496,301

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements			1	34,653,798
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:				
a	Net unrealized gains on investments	2a	39,498		
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV)	2d	-200,019		
e	Add lines 2a through 2d			2e	-160,521
3	Subtract line 2e from line 1			3	34,814,319
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b			
c	Add lines 4a and 4b			4c	0
5	Total revenue. Add lines 3 and 4c. (This should equal Form 990, Part I, line 12.)			5	34,814,319

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements			1	26,765,827
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Losses reported on Form 990, Part IX, line 25	2c			
d	Other (Describe in Part XIV)	2d			
e	Add lines 2a through 2d			2e	0
3	Subtract line 2e from line 1			3	26,765,827
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b			
c	Add lines 4a and 4b			4c	0
5	Total expenses. Add lines 3 and 4c. (This should equal Form 990, Part I, line 18.)			5	26,765,827

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b.

See page 5

Part XIV Supplemental Information *(continued)*

PART X, FIN 48 FOOTNOTE

In June 2006, the FASB issued Interpretation No. 48, Accounting for Uncertainty in Income Taxes (FIN 48), which provides guidance to all enterprises, including pass-through entities, for how uncertain tax provisions should be recognized, measured, presented and disclosed in the financial statements. On December 30, 2008, the FASB issued Financial Statement Position (FSP) FIN 48-3, Effective Date of FASB Interpretation No. 48 for Certain Nonpublic Enterprises, which defers the effective date of the Interpretation for certain nonpublic enterprises to annual financial statements for fiscal years beginning after December 15, 2008, and is to be applied to all open tax years as of effective date. The Foundation is a nonpublic enterprise to which this deferral applies, and FIN 48 will be first effective for the Foundation's financial statements for fiscal year ending June 30, 2010. Management continues to evaluate the implications of the Interpretation, and any impact to the future financial position and results of the operations of the Foundation has not yet been determined.

Part XI Line 4 Unrealized changes in limited partnership interest ($591,689)

Part XII Line 2D Unrealized changes in limited partnership interest ($591,689)

Part XII Line 2D Net assets released from restrictions $391,670

SCHEDULE I (Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments, and Individuals in the U.S.

▶ Complete if the organization answered "Yes," on Form 990, Part IV, lines 21 or 22.
▶ Attach to Form 990.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization

Children's Orthopaedic Surg. Foundation, Inc.

Employer identification number

04-2943146

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . . [X] Yes [ ] No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States.

Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than $5,000. Check this box if no one recipient received more than $5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed . . . . . ▶ [ ]

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Arthritis Foundation Mass. Chapte 29 Craft Street Newton, MA	04-2113261	501(c) (3)	5,000	0			General Support
Children's Hospital Corp. 300 Longwood Ave Boston, MA	04-2774441	501(c) (3)	197,018	0			General Support
New England Center for Children 33 Turnpike Road Southboro, MA	04-2708762	501(c) (3)	15,000	0			General Support
Orthopaedic Research & Educ. 6300 N River Road Rosemont, IL	36-6009467	501(c) (3)	33,000	0			General Support
			0	0			
			0	0			
			0	0			
			0	0			
			0	0			
			0	0			
			0	0			
			0	0			

2 Enter total number of section 501(c)(3) and government organizations . . . . . ▶ 4

3 Enter total number of other organizations . . . . . ▶ 0

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Use Schedule I-1 (Form 990) if additional space is needed

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
	0	0	0		
	0	0	0		
	0	0	0		
	0	0	0		
	0	0	0		
	0	0	0		
	0	0	0		

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

PART I, LINE 1

Monitoring is provided by the Children's Orthopaedic Surgery Foundation (the "Foundation") through oversight of the terms and conditions of a written grant agreement. Multiyear agreements require yearly progress and financial reports for continuation of funding. During the year ended June 30, 2009, the Foundation only provided grant donations to other 501(c) (3) organizations.

SCHEDULE J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Attach to Form 990. To be completed by organizations that answered "Yes" to Form 990, Part IV, line 23.

OMB No. 1545-0047

2008

Open to Public Inspection

Name of the organization: Children's Orthopaedic Surg. Foundation, Inc.

Employer identification number: 04-2943146

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.			
	☐ First-class or charter travel	☐ Housing allowance or residence for personal use		
	☐ Travel for companions	☐ Payments for business use of personal residence		
	☐ Tax indemnification and gross-up payments	☐ Health or social club dues or initiation fees		
	☐ Discretionary spending account	☐ Personal services (e.g., maid, chauffeur, chef)		
b	If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2		
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.			
	☒ Compensation committee	☒ Written employment contract		
	☐ Independent compensation consultant	☒ Compensation survey or study		
	☒ Form 990 of other organizations	☒ Approval by the board or compensation committee		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a:			
a	Receive a severance payment or change of control payment?	4a		X
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	X	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c		X
	If "Yes" to any of lines 4a–c, list the persons and provide the applicable amounts for each item in Part III.			
	Only 501(c)(3) and 501(c)(4) organizations must complete lines 5–8.			
5	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:			
a	The organization?	5a	X	
b	Any related organization?	5b		X
	If "Yes" to line 5a or 5b, describe in Part III.			
6	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:			
a	The organization?	6a		X
b	Any related organization?	6b		X
	If "Yes" to line 6a or 6b, describe in Part III.			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7		X
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III	8		X

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use Schedule J-1 if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)–(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)–(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
James R. Kasser, MD	(i)	360,270	233,500	370,281	11,000	39,356	1,014,407	511,223
	(ii)	71,785	0	0	0	0	71,785	0
John Emmans, MD	(i)	360,553	304,300	104,671	11,000	21,342	801,866	318,873
	(ii)	0	0	0	0	0	0	0
Peter Waters, MD	(i)	360,553	304,300	304,396	11,000	33,329	1,013,578	478,023
	(ii)	0	0	0	0	0	0	0
Michael Millis, MD	(i)	336,548	175,500	152,325	11,000	30,886	706,259	321,183
	(ii)	0	0	0	0	0	0	0
Timothy M. Hresko, MD	(i)	360,553	151,500	192,581	11,000	11,099	726,733	376,283
	(ii)	0	0	0	0	0	0	0
Brian Snyder, MD	(i)	300,014	77,000	3,456	11,000	19,015	410,485	218,958
	(ii)	0	0	0	0	0	0	0
Lawrence Karlin, MD	(i)	400,553	55,600	208,786	11,000	48,044	723,983	357,048
	(ii)	0	0	0	0	0	0	0
Seymour Zimbler, MD	(i)	120,544	325,000	105,196	11,000	32,358	594,098	260,498
	(ii)	0	0	0	0	0	0	0
Young-Jo Kim, MD	(i)	300,479	155,500	361,476	37,000	12,368	866,823	419,978
	(ii)	0	0	0	0	0	0	0
Mininder Kocher, MD	(i)	420,018	91,500	428,243	38,500	26,862	1,005,123	647,622
	(ii)	0	0	0	0	0	0	0
Daniel Hedequist, MD	(i)	324,479	131,500	406,796	6,000	27,997	896,772	476,998
	(ii)	0	0	0	0	0	0	0
Martha Murray, MD	(i)	180,023	40,000	3,036	4,340	2,775	230,174	111,638
	(ii)	0	0	0	0	0	0	0
Donald Bae, MD	(i)	300,479	155,500	344,596	5,000	2,640	808,215	283,798
	(ii)	0	0	0	0	0	0	0
Susan Mahan, MD	(i)	168,252	90,000	17,096	2,000	2,640	279,988	164,798
	(ii)	0	0	0	0	0	0	0
Gregory Melkonian, MD	(i)	168,553	214,000	132,316	2,000	22,919	539,788	231,108
	(ii)	0	0	0	0	0	0	0
Samantha Spencer, MD	(i)	270,479	112,000	336,126	2,000	3,280	723,885	429,728
	(ii)	0	0	0	0	0	0	0

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

PART I, LINE 4B

The Foundation established a nonqualified severance benefit plan called the Children's Orthopaedic Surgery Foundation, Inc. Severance Benefit Plan, effective as of September 1, 1991, to supplement the severance, death or disability benefits available to certain employees of the Foundation. The Board of Directors designates eligible employees and determines benefits.

The Severance Benefit Plan was frozen as of December 31, 2004. Although the assets of the trust have been irrevocably set aside for payment of deferred compensation benefits, they are subject first to the claims of the Foundation's creditors in the event the Foundation is subject to bankruptcy proceedings.

The liability owed to the plan participants as of June 30,2009 are:

James R. Kasser, MD (President)	$414,422
John B. Emans, MD (Treasurer)	$453,165
Peter Water, MD (Clerk)	$397,516
Michael B. Millis, MD (Director)	$530,125
Timothy Hresko, MD (Director)	$109,900
Brian Snyder, MD (Director)	$51,362
Seymor Zimbler, MD (Director)	$51,857
Young-Jo Kim, MD (Director)	$41,089
Mininder Kocher, MD (Director)	$190,403
Lyle J. Micheli, MD (Director)	$78,952

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information

PART I, LINE 5A

The Children's Orthopaedic Surgery Foundation, Inc. (Foundation) paid bonus compensation based on the revenues of the Foundation. Bonuses are normally paid in June and December. There is an income statement maintained for each physician. The bonuses are based on the excess balance accumulated in each physician's income statement, the performance of the physician during the six month period, the necessary reserve requirement of three month's salary plus any other reserve deemed appropriate by the Chief of the Department.

SCHEDULE J-1
(Form 990)

Department of the Treasury
Internal Revenue Service

Continuation Sheet for Schedule J (Form 990)

▶ **Attach to Form 990 to list additional information regarding compensation.**

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
Children's Orthopaedic Surg. Foundation, Inc.

Employer identification number
04-2943146

Part I **Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** (Schedule J, Part II)

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)–(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
Travis Matheney, MD	(i)	270,456	112,000	94,300	2,000	5,250	484,006	278,800
	(ii)	0	0	0	0	0	0	0
Dennis Kramer, MD	(i)	202,956	179,000	103,000	46,000	10,306	541,262	170,000
	(ii)	0	0	0	0	0	0	0
	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0
	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0
	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0
	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0
	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0
	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0
	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0
	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0
	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0
	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0
	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0
	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0
	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0
	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.
(HTA)

SCHEDULE L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

▶ Attach to Form 990 or Form 990-EZ.
▶ To be completed by organizations that answered "Yes" on Form 990, Part IV, line 26a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.

OMB No. 1545-0047

2008

Open To Public Inspection

Name of the organization

Children's Orthopaedic Surg. Foundation, Inc.

Employer identification number

04-2943146

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1 (a) Name of disqualified person	(b) Description of transaction	(c) Corrected? Yes	No

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 . . . . . ▶ $

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization . . . . . ▶ $

Part II Loans to and/or From Interested Persons.

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a.

(a) Name of interested person and purpose	(b) Loan to or from the organization? To	From	(c) Original principal amount	(d) Balance due	(e) In default? Yes	No	(f) Approved by board or committee? Yes	No	(g) Written agreement? Yes	No
Daniel Hedequist Recruitment		X	400,000	266,666		X	X		X	
Young Jo-Kim Recruitment		X	175,000	35,000		X	X		X	
Mininder Kocher Recruitment		X	350,000	140,000		X	X		X	
Mininder Kocher Retention		X	500,000	500,000		X	X		X	
Donald Bae Retention		X	400,000	400,000		X	X		X	
See Statement O - for more details			0	0						
Total . . . . . ▶ $				1,341,666						

Part III Grants or Assistance Benefitting Interested Persons.

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of grant or type of assistance

Part IV Business Transactions Involving Interested Persons.

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues? Yes	No
		0			
		0			
		0			
		0			
		0			
		0			

SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization

Children's Orthopaedic Surg. Foundation, Inc.

Employer identification number

04-2943146

PART VI, QUESTION 1A & 1B

A majority of the Foundation's board members are physicians who are not independent from the Foundation. However, the Foundation participates in an integrated delivery system with the Children's Hospital of Boston (Hospital), which does have a community board. The Foundation was organized in 1986. At that time the board was composed entirely of physicians, a board structure that was approved by the Internal Revenue Service. The Foundation has since adjusted the board structure to make it more responsive to the Hospital by adding the Physician's Organization (PO) as a member. See Schedule O, Part VI, Question 12 for more detailed of the PO's rights.

PART VI, QUESTION 3

The Physicians' Organization at Children's Hospital Boston (PO) is a Class "C" member of Children's Hospital Orthopaedic Surgery Foundation , Inc. (Foundation). The PO is responsible for all 3rd party contracting for the Foundation. The PO has the power to select the independent auditor and legal counsel of the Foundation from an approved list of firms mutually agreed to by the PO and the Foundation. The PO also has the right to review, but not to approve, the annual operating budget and all capital budgets of the Foundation. Lastly, the PO has the right to review for compliance with applicable law, the general terms of and any modification to physician compensation and benefits plan for all physician employees of the Foundation. The PO is considered the compensation committee of the Foundation.

PART VI, QUESTION 6

The Children's Orthopaedic Surgery Foundation have three classes of members. The Chief of the Department of Orthopaedic Surgery (Foundation) of the Children's Hospital in Boston, is a Class "A" member. Each person who is a member of the Foundation , other than the Chief of the Foundation may become a Class "B" member of the Foundation, upon recommendation by the Class "A" member and approval of the Class "B" members. The Physicians' Organization at Children's Hospital Boston is a Class "C" member of Children's Orthopaedic Surgery Foundation.

Name of the organization	Employer identification number
Children's Orthopaedic Surg. Foundation, Inc	04-2943146

PART VI, QUESTION 7A

According to the the Articles of Organization, The Chief of the Department of Orthopaedic Surgery of Children's Hospital is the the Class "A" member of Children's Orthopaedic Surgery Foundation, Inc. (Foundation). Each person who is a member of the Foundation, other than the Chief of the Department, is a Class "B" member of the Foundation. The Class "A" and Class "B" member of the Foundation elect the Board of Directors from nominess presented by the Executive Committee at their annual meeting. Each member is entitled to one vote upon any question at any meeting of the members.

PART VI, QUESTION 7B

The Physicians' Organization at Children's Hospital Boston (PO) is a Class "C" member of Children's Hospital Orthopaedic Surgery Foundation , Inc. (Foundation). The PO is responsible for all 3rd party contracting for the Foundation. The PO has the power to select the independent auditor and legal counsel of the Foundation from an approved list of firms mutually agreed to by the PO and the Foundation. The PO also has the right to review, but not to approve, the annual operating budget and all capital budgets of the Foundation. Lastly, the PO has the right to review for compliance with applicable law, the general terms of and any modification to physician compensation and benefits plan for all physician employees of the Foundation. The PO is considered the compensation committee of the Foundation. As a Class "C" member of the Foundation, the PO attends the the Foundation's annual meeting and has certain voting rights. The PO as a Class "C" member has one of the 21 votes.

PART VI, QUESTION 10

The detailed review will be conducted by the President of the Foundation, James R. Kasser and the administrator Dean Bauer. An electronic copy will be provided to the board along with a hard copy of Form 990 prior to filing. The detailed review will be conducted before filing the return with the Internal Revenue Service.

Name of the organization	Employer identification number
Children's Orthopaedic Surg. Foundation, Inc.	04-2943146

PART VI, QUESTION 12 C

The Physicians' Organization (PO) at Children's Hospital Boston administers an annual conflict of interest disclosure process to all of its member Foundations, which asks physicians (officers, top management, and highly compensated employees) and selected Foundation staff to disclose potential conflicts. A disclosure statement will be circulated annually to members of the PO. The PO audit committee shall determine those individuals (including medical staff members) who shall be required to complete the disclosure statement. The PO audit committee, at the discretion, may either 1) refer any or all disclosure statements to the board of directors, 2) appoint an AD HOC committee to review and resolve any conflicts of interest issues, or 3) review and resolve any conflict of interest issues personally or through a designee(s). Any person not receiving a disclosure statement nevertheless has an affirmative obligation to disclose to the PO President, PO General Counsel, or his/her supervisor whenever he/she believes he/she has or may have a conflict of interest. Similarly, each person completing a disclosure statement has an affirmative obligation to update the statement any time circumstances change and/or he/she believes that a conflict of interest may exist. In the event a conflict of interest is found to exist, the Foundation prohibits the member from voting on any matter to which the conflict relates or otherwise influence the voting on such matter.

PART VI, QUESTION 13 AND 14

Currently, the Foundation does not have a whistleblower policy or a written document and destruction policy, however the board committee has plans to develop these policies in the next year.

Name of the organization	Employer identification number
Children's Orthopaedic Surg. Foundation, Inc	04-2943146

PART VI QUESTION 15A AND 15B

All the physicians (top managment, officers, and highly compensated individuals) fall under compensation guidelines determined by Harvard University, with limitations established for certain positions/ranks within the medical school. Annually, compensation is reviewed and reported to the Hospital's board of trustees to ensure total direct and indirect compensation does not exceed the pre-determined guidelines of Harvard University. Any new indirect benefit plan requires approval by the Foundation's board of directors, which then must be reviewed and permitted by the Hospital. Major procedures of the approval process involve: comparing compensation data of physicians within the comparable field of medicine; indirect compensation currently being offered; and the financial stability of the Foundation. This process was followed for year ended 6/30/2009.

PART VI QUESTION 19

The Foundation maintains all financial statements, conflict of interest policy, and governing documents at its main office at 300 Longwood Avenue, Boston, MA 02115. The documents are available upon request.

SCHEDULE L, PART II

The Children's Hospital Orthopaedic Surgery Foundation, Inc. (Foundation) has provided several secured loans, some of which are interest bearing to nine officers of the Foundation. The loans were made for recruitment and retention purposes. The loans will be forgiven over the terms of the notes, if the recipients remain employed at the Foundation or its affiliate. The amount of the loan forgiveness will be included with accrued interest, if applicable, as compensation in the year forgiven.

Name of the organization: Children's Orthopaedic Surg. Foundation, Inc.

Employer identification number: 04-2943146

SCHEDULE L, PART II - Loans to and/or From Interested Persons

The followings loans were provided from Children's Orthopaedic Surgery Foundation, Inc.

Name	Purpose	Original Amount	Balance Due	Default	Approved/Agreement
Samantha Spencer	Retention	$350,000	$350,000	No	Yes
Dennis Kramer	Retention	$300,000	$300,000	No	Yes
Dennis Kramer	Recruitment	$100,000	$100,000	No	Yes
Travis Matheney	Recruitment	$100,000	$100,000	No	Yes
Gregory Melkonian	Recruitment	$100,000	$40,000	No	Yes
Yi-Ming Yen	Retention	$100,000	$100,000	No	Yes

SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Attach to Form 990. To be completed by organizations that answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ See separate instructions.

OMB No. 1545-0047

2008

Open to Public Inspection

Name of the organization
Children's Orthopaedic Surg. Foundation, Inc.

Employer identification number
04-2943146

Part I Identification of Disregarded Entities

(A) Name, address, and EIN of disregarded entity	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Total income	(E) End-of-year assets	(F) Direct controlling entity
			0	0	
			0	0	
			0	0	
			0	0	
			0	0	
			0	0	

Part II Identification of Related Tax-Exempt Organizations

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Exempt Code section	(E) Public charity status (if section 501(c)(3))	(F) Direct controlling entity
Children's Hospital Corporation 04-2774441 300 Longwood Avenue, Boston, MA 02115	Hospital	MA	501(c) (3)	3	N/A
Harvard University 04-2103580 1033 Massachusetts Ave, Cambridge, MA 02138	Education	MA	501(c) (3)	2	N/A

Part III Identification of Related Organizations Taxable as a Partnership

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Predominant income (related, investment, unrelated)	(F) Share of total income	(G) Share of end-of-year assets	(H) Disproportionate allocations? Yes	(H) No	(I) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(J) General or managing partner? Yes	(J) No
					0	0			0		
					0	0			0		
					0	0			0		
					0	0			0		
					0	0			0		
					0	0			0		
					0	0			0		

Part IV Identification of Related Organizations Taxable as a Corporation or Trust

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Type of entity (C corp, S corp, or trust)	(F) Share of total income	(G) Share of end-of-year assets	(H) Percentage ownership
					0	0	%
					0	0	%
					0	0	%
					0	0	%
					0	0	%
					0	0	%
					0	0	%

Part V Transactions With Related Organizations

Note. Complete line 1 if any entity is listed in Parts II, III, or IV.		Yes	No
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II–IV?			
a Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity	1a		X
b Gift, grant, or capital contribution to other organization(s)	1b	X	
c Gift, grant, or capital contribution from other organization(s)	1c	X	
d Loans or loan guarantees to or for other organization(s)	1d		X
e Loans or loan guarantees by other organization(s)	1e		X
f Sale of assets to other organization(s)	1f		X
g Purchase of assets from other organization(s)	1g		X
h Exchange of assets	1h		X
i Lease of facilities, equipment, or other assets to other organization(s)	1i		X
j Lease of facilities, equipment, or other assets from other organization(s)	1j		X
k Performance of services or membership or fundraising solicitations for other organization(s)	1k		X
l Performance of services or membership or fundraising solicitations by other organization(s)	1l	X	
m Sharing of facilities, equipment, mailing lists, or other assets	1m	X	
n Sharing of paid employees	1n	X	
o Reimbursement paid to other organization for expenses	1o	X	
p Reimbursement paid by other organization for expenses	1p		X
q Other transfer of cash or property to other organization(s)	1q		X
r Other transfer of cash or property from other organization(s)	1r		X

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

	(A) Name of other organization(s)	(B) Transaction type (a–r)	(C) Amount involved
(1)			0
(2)			0
(3)			0
(4)			0
(5)			0
(6)			0

Part VI Unrelated Organizations Taxable as a Partnership

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(A) Name, address, and EIN of entity	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Are all partners 501(c)(3) organizations?		(E) Share of end-of-year assets	(F) Disproportionate allocations?		(G) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(H) General or managing partner?	
			Yes	No		Yes	No		Yes	No
					0			0		
					0			0		
					0			0		
					0			0		
					0			0		
					0			0		
					0			0		
					0			0		
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					0			0		
					0			0		
					0			0		
					0			0		

Part VII, Section B, Line 1 (990) - Highest Compensated Independent Contractors

	Contractor's Name	Check if Business	Street Address	City	State	Zip Code	Foreign Country
1	Hart Associates	X	3 Allied Drive, Suite 312	Dedham	MA	02026	
2							
3							
4							
5							
6							
7							
8							
9							
10							

707,622

Description of Services	Compensation	Explanation
Billing Services	707,622	

Part VIII, Lines 1a-h (990) - Contributions, Gifts, Grants, and Other Amounts

		Cash		Non Cash
1	Federated Campaigns		1	
2	Membership dues		2	
3	Fundraising events		3	
4	Related organizations	700,000	4	
5	Government grants (contributions)	94,251	5	
6	All other contributions, gifts, grants, and similar amounts not included above:			
	CRICO RMF	25,000		
	Other contributions total	25,000	6	0
7	Total	819,251	7	0

Part VIII, Line 7 (990) - Gain/Loss from Sale of Assets Other than Inventory

Totals	Gross sales	Cost, other basis and expenses
Public Securities	2,101,292	2,380,522
Non-Public Securities	0	0
Other sales	0	0

Index	Description	CUSIP #	Check if gain/loss is from sale of public securities	Check if gain/loss is from sale of non public securities	Check if purchaser is a business	Purchaser	Date acquired	Acquisition method	Date sold	Gross sales price	Cost or other basis (Enter one field only)		Expense of sale and cost of improvements	Depreciation	Description of Basis Method
											Cost	Donated value			
1	Equities securities		X			Broker	Various	Purchase	Various	2,101,292	2,380,522				
2															
3															
4															
5															
6															
7															
8															
9															
10															
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19															
20															

Part IX, Line 22 (990) - Depreciation, Depletion, etc.

	Description	16,158 (A) Total	16,158 (B) Program services	0 (C) Management and general	0 (D) Fundraising
1	Depreciation Expenses	16,158	16,158		
2		0			
3		0			
4		0			
5		0			
6		0			
7		0			
8		0			
9		0			
10		0			
11		0			
12		0			
13		0			
14		0			
15		0			
16		0			
17		0			
18		0			
19		0			
20		0			

Part X, Line 4 (990) - Accounts Receivable

		Accounts receivable		Allowance for doubtful accounts	
		Beginning	End	Beginning	End
1 Patient Receivables	1	3,404,134	4,300,422	184,029	255,060
2	2				
3	3				
4	4				
5	5				
6	6				
7	7				
8	8				
9	9				
10	10				
11 Total accounts receivable	11	3,404,134	4,300,422	184,029	255,060

Part X, Lines 5 and 6 (990) - Receivables from Officers, Directors, Trustees and Key Employees

				Travel Advances:			
				2,875,000	603,333	2,331,666	
	Borrower's name	Title	Disqualified Person?	Original amount	Balance due beginning of year	Balance due end of year	Security provided
1	Daniel Hedequist	Director/Phys.		400,000	333,333	266,666	Real Estate
2	Young Jo-Kim	Director/Phys.		175,000	70,000	35,000	Real Estate
3	Mininder Kocher	Director/Phys.		350,000	140,000	140,000	Real Estate
4	Mininder Kocher	Director/Phys.		500,000		500,000	Real Estate
5	Donald Bae	Director/Phys.		400,000		400,000	Real Estate
6	Samantha Spencer	Director/Phys.		350,000		350,000	Real Estate
7	Dennis Kramer	Director/Phys.		100,000		100,000	Real Estate
8	Dennis Kramer	Director/Phys.		300,000		300,000	Real Estate
9	Travis Matheney	Director/Phys.		100,000		100,000	Real Estate
10	Gregory Melkonian	Director/Phys.		100,000	60,000	40,000	Real Estate
11	Yi-Ming Yen	Director/Phys.		100,000		100,000	Real Estate
12							
13							
14							
15							
16							
17							
18							
19							
20							

Date of note	Maturity date	Repayment terms	Interest rate	Purpose of loan	Description	FMV of consideration
11/30/2006	11/30/2012	Annual Pmt	4.8900%	Recruitment	Primary Residence	
9/2/2004	10/1/2009	Annual Pmt	4.0000%	Recruitment	Primary Residence	
6/22/2005	6/1/2010	Annual Pmt	4.2800%	Retention Incentive	Primary Residence	
10/1/2008	10/1/2013	Annual Pmt	3.1600%	Retention	Primary Residence	
9/5/2008	9/5/2013	Annual Pmt	3.4600%	Retention	Primary Residence	
3/1/2009	3/1/2014	Annual Pmt	1.9400%	Retention	Primary Residence	
12/19/2008	12/19/2013	Annual Pmt	2.8500%	Recruitment	Primary Residence	
12/19/2008	12/19/2013	Annual Pmt	2.8500%	Retention	Primary Residence	
3/20/2009	3/20/2014	Annual Pmt	1.9400%	Recruitment	Primary Residence	
12/30/2005	12/31/2010	Annual Pmt	%	Recruitment	Primary Residence	
6/24/2009	6/24/2014	Annual Pmt	2.8700%	Retention	Primary Residence	

Part X, Line 7 (990) - Other Notes

500,000 375,000 312,500 0

	Check if a business	Check if credit union or 501(c)(3) scholarship loan	Borrower's name	Title	Original amount	Net balance due beginning of year	Balance due end of year	Allowance for doubtful accounts end of year
1			Matthew Warman	Physician	500,000	375,000	312,500	
2								
3								
4								
5								
6								
7								
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16								
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18								
19								
20								

Security provided	Date of note	Maturity date	Repayment terms	Interest rate	Purpose of loan	Description	Fair market value of consideration
Real Estate	3/7/2006	3/6/2014	Annual Pmt	%	Recruitment	Primary Residence	

Part X, Lines 10a and 10b (990) - Land, Buildings, and Equipment

									750,955	449,422	465,579	0	301,533	285,376
	Category or Item	Land	Buildings	Leasehold Improve-ments	Equipment	Other	Check if Investment Asset	Check if Asset Disposed	Cost/Other Basis	Beginning Accumulated Depreciation	Ending Accumulated Depreciation	Disposals/ Adjustments	Beginning Balance	Ending Balance
1	Office Equipment				X				330,507	329,936	330,507		571	0
2	Leasehold Improvements			X					156,209	95,686	101,642		60,523	54,567
3	Real Estate		X						264,239	23,800	33,430		240,439	230,809
4									0	0			0	0
5									0	0			0	0
6									0	0			0	0
7									0	0			0	0
8									0	0			0	0
9									0	0			0	0
10									0	0			0	0
11									0	0			0	0
12									0	0			0	0
13									0	0			0	0
14									0	0			0	0
15									0	0			0	0
16									0	0			0	0
17									0	0			0	0
18									0	0			0	0
19									0	0			0	0
20									0	0			0	0
21									0	0			0	0
22									0	0			0	0
23									0	0			0	0
24									0	0			0	0
25									0	0			0	0
26									0	0			0	0
27									0	0			0	0
28									0	0			0	0
29									0	0			0	0
30									0	0			0	0
31									0	0			0	0
32									0	0			0	0
33									0	0			0	0
34									0	0			0	0
35									0	0			0	0
36									0	0			0	0
37									0	0			0	0
38									0	0			0	0
39									0	0			0	0
40									0	0			0	0
41									0	0			0	0
42									0	0			0	0
43									0	0			0	0
44									0	0			0	0
45									0	0			0	0
46									0	0			0	0
47									0	0			0	0
48									0	0			0	0
49									0	0			0	0
50									0	0			0	0
51									0	0			0	0
52									0	0			0	0
53									0	0			0	0
54									0	0			0	0

Part X, Lines 10a and 10b (990) - Land, Buildings, and Equipment

									750,955	449,422	465,579	0	301,533	285,376
	Category or Item	Land	Buildings	Leasehold Improve-ments	Equipment	Other	Check if Investment Asset	Check if Asset Disposed	Cost/Other Basis	Beginning Accumulated Depreciation	Ending Accumulated Depreciation	Disposals/ Adjustments	Beginning Balance	Ending Balance
55									0	0			0	0
56									0	0			0	0
57									0	0			0	0
58									0	0			0	0
59									0	0			0	0
60									0	0			0	0
61									0	0			0	0
62									0	0			0	0
63									0	0			0	0
64									0	0			0	0
65									0	0			0	0
66									0	0			0	0
67									0	0			0	0
68									0	0			0	0
69									0	0			0	0
70									0	0			0	0
71									0	0			0	0
72									0	0			0	0
73									0	0			0	0
74									0	0			0	0
75									0	0			0	0
76									0	0			0	0
77									0	0			0	0
78									0	0			0	0
79									0	0			0	0
80									0	0			0	0
81									0	0			0	0
82									0	0			0	0
83									0	0			0	0
84									0	0			0	0
85									0	0			0	0
86									0	0			0	0
87									0	0			0	0
88									0	0			0	0
89									0	0			0	0
90									0	0			0	0
91									0	0			0	0
92									0	0			0	0
93									0	0			0	0
94									0	0			0	0
95									0	0			0	0
96									0	0			0	0
97									0	0			0	0
98									0	0			0	0
99									0	0			0	0
100									0	0			0	0
101									0	0			0	0
102									0	0			0	0
103									0	0			0	0
104									0	0			0	0
105									0	0			0	0
106									0	0			0	0
107									0	0			0	0
108									0	0			0	0

Part X, Lines 10a and 10b (990) - Land, Buildings, and Equipment

									750,955	449,422	465,579	0	301,533	285,376
	Category or Item	Land	Buildings	Leasehold Improve-ments	Equipment	Other	Check if Investment Asset	Check if Asset Disposed	Cost/Other Basis	Beginning Accumulated Depreciation	Ending Accumulated Depreciation	Disposals/ Adjustments	Beginning Balance	Ending Balance
109									0	0			0	0
110									0	0			0	0
111									0	0			0	0
112									0	0			0	0
113									0	0			0	0
114									0	0			0	0
115									0	0			0	0
116									0	0			0	0
117									0	0			0	0
118									0	0			0	0
119									0	0			0	0
120									0	0			0	0
121									0	0			0	0
122									0	0			0	0
123									0	0			0	0
124									0	0			0	0
125									0	0			0	0
126									0	0			0	0
127									0	0			0	0
128									0	0			0	0
129									0	0			0	0
130									0	0			0	0
131									0	0			0	0
132									0	0			0	0
133									0	0			0	0
134									0	0			0	0
135									0	0			0	0
136									0	0			0	0
137									0	0			0	0
138									0	0			0	0
139									0	0			0	0
140									0	0			0	0
141									0	0			0	0
142									0	0			0	0
143									0	0			0	0
144									0	0			0	0
145									0	0			0	0
146									0	0			0	0
147									0	0			0	0
148									0	0			0	0
149									0	0			0	0
150									0	0			0	0
151									0	0			0	0
152									0	0			0	0
153									0	0			0	0
154									0	0			0	0
155									0	0			0	0
156									0	0			0	0
157									0	0			0	0
158									0	0			0	0
159									0	0			0	0
160									0	0			0	0
161									0	0			0	0
162									0	0			0	0

Part X, Lines 10a and 10b (990) - Land, Buildings, and Equipment

	Category or Item	Land	Buildings	Leasehold Improve-ments	Equipment	Other	Check if Investment Asset	Check if Asset Disposed	Cost/Other Basis	Beginning Accumulated Depreciation	Ending Accumulated Depreciation	Disposals/ Adjustments	Beginning Balance	Ending Balance
									750,955	449,422	465,579	0	301,533	285,376
163									0	0			0	0
164									0	0			0	0
165									0	0			0	0
166									0	0			0	0
167									0	0			0	0
168									0	0			0	0
169									0	0			0	0
170									0	0			0	0
171									0	0			0	0
172									0	0			0	0
173									0	0			0	0
174									0	0			0	0
175									0	0			0	0
176									0	0			0	0
177									0	0			0	0
178									0	0			0	0
179									0	0			0	0
180									0	0			0	0
181									0	0			0	0
182									0	0			0	0
183									0	0			0	0
184									0	0			0	0
185									0	0			0	0
186									0	0			0	0
187									0	0			0	0
188									0	0			0	0
189									0	0			0	0
190									0	0			0	0
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194									0	0			0	0
195									0	0			0	0
196									0	0			0	0
197									0	0			0	0
198									0	0			0	0
199									0	0			0	0
200									0	0			0	0
201									0	0			0	0
202									0	0			0	0
203									0	0			0	0
204									0	0			0	0
205									0	0			0	0
206									0	0			0	0
207									0	0			0	0
208									0	0			0	0
209									0	0			0	0
210									0	0			0	0
211									0	0			0	0
212									0	0			0	0
213									0	0			0	0
214									0	0			0	0
215									0	0			0	0
216									0	0			0	0

Part X, Lines 10a and 10b (990) - Land, Buildings, and Equipment

									750,955	449,422	465,579	0	301,533	285,376
	Category or Item	Land	Buildings	Leasehold Improve-ments	Equipment	Other	Check if Investment Asset	Check if Asset Disposed	Cost/Other Basis	Beginning Accumulated Depreciation	Ending Accumulated Depreciation	Disposals/ Adjustments	Beginning Balance	Ending Balance
217									0	0			0	0
218									0	0			0	0
219									0	0			0	0
220									0	0			0	0
221									0	0			0	0
222									0	0			0	0
223									0	0			0	0
224									0	0			0	0
225									0	0			0	0
226									0	0			0	0
227									0	0			0	0
228									0	0			0	0
229									0	0			0	0
230									0	0			0	0
231									0	0			0	0
232									0	0			0	0
233									0	0			0	0
234									0	0			0	0
235									0	0			0	0
236									0	0			0	0
237									0	0			0	0
238									0	0			0	0
239									0	0			0	0
240									0	0			0	0
241									0	0			0	0
242									0	0			0	0
243									0	0			0	0
244									0	0			0	0
245									0	0			0	0
246									0	0			0	0
247									0	0			0	0
248									0	0			0	0
249									0	0			0	0
250									0	0			0	0
251									0	0			0	0
252									0	0			0	0
253									0	0			0	0
254									0	0			0	0
255									0	0			0	0
256									0	0			0	0
257									0	0			0	0
258									0	0			0	0
259									0	0			0	0
260									0	0			0	0
261									0	0			0	0
262									0	0			0	0
263									0	0			0	0
264									0	0			0	0
265									0	0			0	0
266									0	0			0	0
267									0	0			0	0
268									0	0			0	0
269									0	0			0	0
270									0	0			0	0

Part X, Lines 10a and 10b (990) - Land, Buildings, and Equipment

									750,955	449,422	465,579	0	301,533	285,376
	Category or Item	Land	Buildings	Leasehold Improve-ments	Equipment	Other	Check if Investment Asset	Check if Asset Disposed	Cost/Other Basis	Beginning Accumulated Depreciation	Ending Accumulated Depreciation	Disposals/ Adjustments	Beginning Balance	Ending Balance
271									0	0			0	0
272									0	0			0	0
273									0	0			0	0
274									0	0			0	0
275									0	0			0	0
276									0	0			0	0
277									0	0			0	0
278									0	0			0	0
279									0	0			0	0
280									0	0			0	0
281									0	0			0	0
282									0	0			0	0
283									0	0			0	0
284									0	0			0	0
285									0	0			0	0
286									0	0			0	0
287									0	0			0	0
288									0	0			0	0
289									0	0			0	0
290									0	0			0	0
291									0	0			0	0
292									0	0			0	0
293									0	0			0	0
294									0	0			0	0
295									0	0			0	0
296									0	0			0	0
297									0	0			0	0
298									0	0			0	0
299									0	0			0	0
300									0	0			0	0
301									0	0			0	0
302									0	0			0	0
303									0	0			0	0
304									0	0			0	0
305									0	0			0	0
306									0	0			0	0
307									0	0			0	0
308									0	0			0	0
309									0	0			0	0
310									0	0			0	0
311									0	0			0	0
312									0	0			0	0
313									0	0			0	0
314									0	0			0	0
315									0	0			0	0
316									0	0			0	0
317									0	0			0	0
318									0	0			0	0
319									0	0			0	0
320									0	0			0	0
321									0	0			0	0
322									0	0			0	0
323									0	0			0	0
324									0	0			0	0

Part X, Lines 10a and 10b (990) - Land, Buildings, and Equipment

	Category or Item	Land	Buildings	Leasehold Improve-ments	Equipment	Other	Check if Investment Asset	Check if Asset Disposed	Cost/Other Basis	Beginning Accumulated Depreciation	Ending Accumulated Depreciation	Disposals/ Adjustments	Beginning Balance	Ending Balance
									750,955	449,422	465,579	0	301,533	285,376
325									0	0			0	0
326									0	0			0	0
327									0	0			0	0
328									0	0			0	0
329									0	0			0	0
330									0	0			0	0
331									0	0			0	0
332									0	0			0	0
333									0	0			0	0
334									0	0			0	0
335									0	0			0	0
336									0	0			0	0
337									0	0			0	0
338									0	0			0	0
339									0	0			0	0
340									0	0			0	0
341									0	0			0	0
342									0	0			0	0
343									0	0			0	0
344									0	0			0	0
345									0	0			0	0
346									0	0			0	0
347									0	0			0	0
348									0	0			0	0
349									0	0			0	0
350									0	0			0	0
351									0	0			0	0
352									0	0			0	0
353									0	0			0	0
354									0	0			0	0
355									0	0			0	0
356									0	0			0	0
357									0	0			0	0
358									0	0			0	0
359									0	0			0	0
360									0	0			0	0
361									0	0			0	0
362									0	0			0	0
363									0	0			0	0
364									0	0			0	0
365									0	0			0	0
366									0	0			0	0
367									0	0			0	0
368									0	0			0	0
369									0	0			0	0
370									0	0			0	0
371									0	0			0	0
372									0	0			0	0
373									0	0			0	0
374									0	0			0	0
375									0	0			0	0
376									0	0			0	0
377									0	0			0	0
378									0	0			0	0

Part X, Lines 10a and 10b (990) - Land, Buildings, and Equipment

									750,955	449,422	465,579	0	301,533	285,376
	Category or Item	Land	Buildings	Leasehold Improve-ments	Equipment	Other	Check if Investment Asset	Check if Asset Disposed	Cost/Other Basis	Beginning Accumulated Depreciation	Ending Accumulated Depreciation	Disposals/ Adjustments	Beginning Balance	Ending Balance
379									0	0			0	0
380									0	0			0	0
381									0	0			0	0
382									0	0			0	0
383									0	0			0	0
384									0	0			0	0
385									0	0			0	0
386									0	0			0	0
387									0	0			0	0
388									0	0			0	0
389									0	0			0	0
390									0	0			0	0
391									0	0			0	0
392									0	0			0	0
393									0	0			0	0
394									0	0			0	0
395									0	0			0	0
396									0	0			0	0
397									0	0			0	0
398									0	0			0	0
399									0	0			0	0
400									0	0			0	0
401									0	0			0	0
402									0	0			0	0
403									0	0			0	0
404									0	0			0	0

Part X, Lines 11 and 12 (990) - Investments - Securities

Check one box below to indicate how securities are reported:

[ ] Cost

[X] End of year market value (FMV)

							0	15,057,683	17,376,241
	Securities at end of year	Publicly Traded Securities?	Financial Derivatives	Closely-Held Equity Interests	Number of Shares/ Face Value	Value at Time of Donation	Beginning Balance Book Value FMV	Ending Balance Book Value FMV	
1	Corporate bonds	X			0.00	0	4,745,944	6,185,859	
2	US agencies bonds	X			0.00	0	3,745,583	2,806,173	
3	Equity mutual funds	X			0.00	0	1,916,528	1,642,644	
4	Investment Cash reserve	X			0.00	0	120,700	39,741	
5	PO pooled investment funds				0.00	0	3,069,721	2,478,032	
6	Equity securities	X			0.00	0	1,459,207	1,082,294	
7	US Treasury notes	X			0.00	0	0	3,080,625	
8	Municipal bonds	X			0.00	0	0	60,873	
9					0.00	0	0	0	
10					0.00	0	0	0	
11					0.00	0	0	0	
12					0.00	0	0	0	
13					0.00	0	0	0	
14					0.00	0	0	0	
15					0.00	0	0	0	
16					0.00	0	0	0	
17					0.00	0	0	0	
18					0.00	0	0	0	
19					0.00	0	0	0	
20					0.00	0	0	0	

Part X, Line 15 (990) - Other Assets

1,840,321 1,654,879

	Description	Beginning	End
1	Due from Children's Hospital	201,841	407,893
2	Due from Physicians' Organization	336,939	772,511
3	Due from Sports Medicine Foundation, Inc.	432,199	418,264
4	Due from Harvard Medical School	869,342	56,211
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			

Part X, Line 25 (990) - Other Liabilities

		4,459,131	4,894,853
	Description	Beginning	End
1	Severance plan obligation	2,525,685	2,318,790
2	Due to Children's Hospital	710,219	1,099,279
3	Due to Physicians' Organization	103,546	106,794
4	Due to Children's Sports Medicine Foundation, Inc.	137,475	274,630
5	Accrued deferred compensation obligation	982,206	1,095,360
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			

Part I, Line 11h (Sch A (990/990-EZ)) - Supported Organizations 0

	Name(s) of supported organization(s)	Employer identification number (EIN)	Type of organization (described in lines 1 through 9 of Page 1 or IRC section)	Is the supported organization listed in the supporting organization's governing documents?		Did you notify the organization of your support?		Is the organization in the United States?		Amount of support
				Yes	No	Yes	No	Yes	No	
1	Children's Hospital	04-2774441	7	X		X		X		N/A
2	Harvard University	04-2103580	6	X		X		X		N/A
3										0
4										0
5										0
6										0
7										0
8										0
9										0
10										0
11										0
12										0
13										0
14										0
15										0
16										0
17										0
18										0
19										0
20										0

Part VII (Sch D (990)) - Investments Other Securities

2,478,032

	Description	Book Value	Method of Valuation
1	Financial derivatives and other financial products	0	
2	Closely-held equity interests	0	
3	PO pooled investment funds	2,478,032	F
4		0	
5		0	
6		0	
7		0	
8		0	
9		0	
10		0	
11		0	
12		0	
13		0	
14		0	
15		0	
16		0	
17		0	
18		0	
19		0	
20		0	

Part IX (Sch D (990)) - Other Assets

1,654,879

	Description	Book Value
1	Due from Children's Hospital	407,893
2	Due from Physicians' Organization	772,511
3	Due from Sports Medicine Foundation, Inc.	418,264
4	Due from Harvard Medical School	56,211
5		0
6		0
7		0
8		0
9		0
10		0
11		0
12		0
13		0
14		0
15		0
16		0
17		0
18		0
19		0
20		0

Part X (Sch D (990)) - Other Liabilities

4,894,853

	Description	Amount
1	Federal Income Taxes	
2	Severance plan obligation	2,318,790
3	Due to Children's Hospital	1,099,279
4	Due to Physicians' Organization	106,794
5	Due to Children's Sports Medicine Foundation, Inc.	274,630
6	Accrued deferred compensation obligation	1,095,360
7		0
8		0
9		0
10		0
11		0
12		0
13		0
14		0
15		0
16		0
17		0
18		0
19		0
20		0
21		0

Company Name: **Children's Hospital Orthopaedic Surg. Foundation, Inc.**
Taxable Year Ended: **6/30/2009**
EIN: **04-2943146**

STATEMENT FILED PURSUANT TO IRC REG. §1.6038B-1(c) and 1.6038B-1T(c)

The taxpayer attaches this statement to Form 926 as required by Treas. Reg. Section 1.6038B-1(c) and Temporary Regulations Sec. 1.6038B-1T(c)(1) through 1.6028B-1T(c)(5). A statement of the facts pertinent to the exchange is as follows:

Describe ownership in Fund.

Paragraph 1. - Transferor:

- NAME Children's Hospital Orthopaedic Surg. Foundation, Inc.
- EIN: 04-2943146
- Address: 300 Longwood Avenue, HU 221, Boston, MA 02115
-

Paragraph 2. – Transferee:

(i) NAME The Emerging Markets Investors Fund

- EIN: Foreign
- Address: CIBC Mellon Global Securities
  320 Bay Street, 6th Floor
  Toronto, ON M5H4A6, Canada

- Incorporated under the laws of : Canada

(ii) Please refer to statement of facts above.

Paragraph 3. – Consideration Received:

Interest in Partnership

Paragraph 4. – Property Transferred:

- Cash - $113,560

Paragraph 5 – Transfer of Foreign Branch with Previously Deducted Losses – N/A

Paragraph 6 – Application of IRC Sec. 367(a)(5) - N/A

Form **926**
(Rev December 2008)
Department of the Treasury
Internal Revenue Service

Return by a U.S. Transferor of Property to a Foreign Corporation

▶ Attach to your income tax return for the year of the transfer or distribution.

OMB No 1545-0026

Attachment Sequence No. **128**

Part I **U.S. Transferor Information** (see instructions)

Name of transferor	Identifying number (see instructions)
Children's Orthopaedic Surg. Foundation, Inc.	04-2943146

1 If the transferor was a corporation, complete questions 1a through 1d

a If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? . . . ☐ Yes ☐ No

b Did the transferor remain in existence after the transfer? . . . ☐ Yes ☐ No

If not, list the controlling shareholder(s) and their identifying number(s):

Controlling shareholder	Identifying number

c If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? . . . ☐ Yes ☐ No

If not, list the name and employer identification number (EIN) of the parent corporation:

Name of parent corporation	EIN of parent corporation

d Have basis adjustments under section 367(a)(5) been made? . . . ☐ Yes ☐ No

2 If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), complete questions 2a through 2d.

a List the name and EIN of the transferor's partnership.

Name of partnership	EIN of partnership
P.O. Pooled Investment Fund, LLC	20-8551310

b Did the partner pick up its pro rata share of gain on the transfer of partnership assets? . . . ☐ Yes ☒ No

c Is the partner disposing of its entire interest in the partnership? . . . ☐ Yes ☒ No

d Is the partner disposing of an interest in a limited partnership that is regularly traded on an established securities market? . . . ☐ Yes ☒ No

Part II **Transferee Foreign Corporation Information** (see instructions)

3 Name of transferee (foreign corporation)	4 Identifying number, if any
The Emerging Markets Investors Fund	N/A

5 Address (including country)
320 Bay Street, 6th Floor, Toronto ON Canada, M5H4A6

6 Country code of country of incorporation or organization (see instructions)
CA

7 Foreign law characterization (see instructions)
Corporation

8 Is the transferee foreign corporation a controlled foreign corporation? . . . ☐ Yes ☒ No

Part III **Information Regarding Transfer of Property** (see instructions)

Type of property	(a) Date of transfer	(b) Description of property	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Gain recognized on transfer
Cash	VARIOUS		113,560		
Stock and securities					
Installment obligations, account receivables or similar property					
Foreign currency or other property denominated in foreign currency					
Inventory					
Assets subject to depreciation recapture (see Temp Regs sec. 1.367(a)-4T(b))					
Tangible property used in trade or business not listed under another category					
Intangible property					
Property to be leased (as described in Temp Regs. sec 1 367(a)-4T(c))					
Property to be sold (as described in Temp Regs. sec. 1 367(a)-4T(d))					
Transfers of oil and gas working interests (as described in Temp Regs sec 1 367(a)-4T(e))					
Other property					

Supplemental Information Required To Be Reported (see instructions):

Part IV **Additional Information Regarding Transfer of Property** (see instructions)

9 Enter the transferor's interest in the foreign transferee corporation before and after the transfer:

(a) Before 0.0013 % (b) After 0.0077 %

10 Type of nonrecognition transaction (see instructions) ▶ I R C 351

11	Indicate whether any transfer reported in Part III is subject to any of the following:		
a	Gain recognition under section 904(f)(3)	☐ Yes	☒ No
b	Gain recognition under section 904(f)(5)(F)	☐ Yes	☒ No
c	Recapture under section 1503(d)	☐ Yes	☒ No
d	Exchange gain under section 987	☐ Yes	☒ No
12	Did this transfer result from a change in the classification of the transferee to that of a foreign corporation?	☐ Yes	☒ No
13	Indicate whether the transferor was required to recognize income under Temporary Regulations sections 1 367(a)-4T through 1.367(a)-6T for any of the following:		
a	Tainted property	☐ Yes	☒ No
b	Depreciation recapture	☐ Yes	☒ No
c	Branch loss recapture	☐ Yes	☒ No
d	Any other income recognition provision contained in the above-referenced regulations	☐ Yes	☒ No
14	Did the transferor transfer assets which qualify for the trade or business exception under section 367(a)(3)?	☐ Yes	☒ No
15a	Did the transferor transfer foreign goodwill or going concern value as defined in Temporary Regulations section 1.367(a)-1T(d)(5)(iii)?	☐ Yes	☒ No
b	If the answer to line 15a is "Yes," enter the amount of foreign goodwill or going concern value transferred ▶ $		
16	Was cash the only property transferred?	☒ Yes	☐ No
17a	Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction?	☐ Yes	☒ No

b If "Yes," describe the nature of the rights to the intangible property that was transferred as a result of the transaction:

Company Name: **Children's Hospital Orthopaedic Surg. Foundation, Inc.**
Taxable Year Ended: **6/30/2009**
EIN: **04-2943146**

STATEMENT FILED PURSUANT TO IRC REG. §1.6038B-1(c) and 1.6038B-1T(c)

The taxpayer attaches this statement to Form 926 as required by Treas. Reg. Section 1.6038B-1(c) and Temporary Regulations Sec. 1.6038B-1T(c)(1) through 1.6028B-1T(c)(5). A statement of the facts pertinent to the exchange is as follows:

Describe ownership in Fund.

Paragraph 1. - Transferor:

- NAME Children's Hospital Orthopaedic Surg. Foundation, Inc.
- EIN: 04-2943146
- Address: 300 Longwood Avenue, HU 221, Boston, MA 02115
-

Paragraph 2. – Transferee:

(i) NAME King Street

- EIN: Foreign
- Address: King Street Capital Ltd.
  c/o HSBC Bank USA, National Association
  330 Madison Avenue, 5th Floor
  New York, New York 10017
  Attn: AFS Investor Services

- Incorporated under the laws of : British Virgin Islands

(ii) Please refer to statement of facts above.

Paragraph 3. – Consideration Received:

Interest in Partnership

Paragraph 4. – Property Transferred:

- Cash - $101,870

Paragraph 5 – Transfer of Foreign Branch with Previously Deducted Losses – N/A

Paragraph 6 – Application of IRC Sec. 367(a)(5) - N/A

Form **926**
(Rev. December 2008)
Department of the Treasury
Internal Revenue Service

Return by a U.S. Transferor of Property to a Foreign Corporation

▶ Attach to your income tax return for the year of the transfer or distribution.

OMB No. 1545-0026

Attachment Sequence No. **128**

Part I U.S. Transferor Information (see instructions)

Name of transferor	Identifying number (see instructions)
Children's Orthopaedic Surg. Foundation, Inc.	04-2943146

1 If the transferor was a corporation, complete questions 1a through 1d.

a If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? . . . ☐ Yes ☐ No

b Did the transferor remain in existence after the transfer? . . . ☐ Yes ☐ No

If not, list the controlling shareholder(s) and their identifying number(s):

Controlling shareholder	Identifying number

c If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? . . . ☐ Yes ☐ No

If not, list the name and employer identification number (EIN) of the parent corporation:

Name of parent corporation	EIN of parent corporation

d Have basis adjustments under section 367(a)(5) been made? . . . ☐ Yes ☐ No

2 If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), complete questions 2a through 2d.

a List the name and EIN of the transferor's partnership:

Name of partnership	EIN of partnership
P.O. Pooled Investment Fund, LLC	20-8551310

b Did the partner pick up its pro rata share of gain on the transfer of partnership assets? . . . ☐ Yes ☒ No

c Is the partner disposing of its **entire** interest in the partnership? . . . ☐ Yes ☒ No

d Is the partner disposing of an interest in a limited partnership that is regularly traded on an established securities market? . . . ☐ Yes ☒ No

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation)	4 Identifying number, if any
King Street Capital Ltd	N/A

5 Address (including country)
c/o HSBC Bank USA, National Association, 330 Madison Avenue, 5th Floor, New York NY, 10017

6 Country code of country of incorporation or organization (see instructions)
VI

7 Foreign law characterization (see instructions)
Corporation

8 Is the transferee foreign corporation a controlled foreign corporation? . . . ☐ Yes ☒ No

Part III **Information Regarding Transfer of Property** (see instructions)

Type of property	(a) Date of transfer	(b) Description of property	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Gain recognized on transfer
Cash	VARIOUS		101,870		
Stock and securities					
Installment obligations, account receivables or similar property					
Foreign currency or other property denominated in foreign currency					
Inventory					
Assets subject to depreciation recapture (see Temp Regs sec 1 367(a)-4T(b))					
Tangible property used in trade or business not listed under another category					
Intangible property					
Property to be leased (as described in Temp. Regs sec 1.367(a)-4T(c))					
Property to be sold (as described in Temp Regs sec 1 367(a)-4T(d))					
Transfers of oil and gas working interests (as described in Temp Regs sec. 1 367(a)-4T(e))					
Other property					

Supplemental Information Required To Be Reported (see instructions):

Part IV **Additional Information Regarding Transfer of Property** (see instructions)

9 Enter the transferor's interest in the foreign transferee corporation before and after the transfer:

(a) Before 0 % (b) After 0.0010 %

10 Type of nonrecognition transaction (see instructions) ▶ I.R.C 351

11 Indicate whether any transfer reported in Part III is subject to any of the following:

a	Gain recognition under section 904(f)(3)	☐ Yes	☒ No
b	Gain recognition under section 904(f)(5)(F)	☐ Yes	☒ No
c	Recapture under section 1503(d)	☐ Yes	☒ No
d	Exchange gain under section 987	☐ Yes	☒ No

12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? ☐ Yes ☒ No

13 Indicate whether the transferor was required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1 367(a)-6T for any of the following:

a	Tainted property	☐ Yes	☒ No
b	Depreciation recapture	☐ Yes	☒ No
c	Branch loss recapture	☐ Yes	☒ No
d	Any other income recognition provision contained in the above-referenced regulations	☐ Yes	☒ No

14 Did the transferor transfer assets which qualify for the trade or business exception under section 367(a)(3)? ☐ Yes ☒ No

15a Did the transferor transfer foreign goodwill or going concern value as defined in Temporary Regulations section 1.367(a)-1T(d)(5)(iii)? ☐ Yes ☒ No

b If the answer to line 15a is "Yes," enter the amount of foreign goodwill or going concern value transferred ▶ $

16 Was cash the only property transferred? ☒ Yes ☐ No

17a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? ☐ Yes ☒ No

b If "Yes," describe the nature of the rights to the intangible property that was transferred as a result of the transaction:

Company Name: **Children's Hospital Orthopaedic Surg. Foundation, Inc.**
Taxable Year Ended: **6/30/2009**
EIN: **04-2943146**

STATEMENT FILED PURSUANT TO IRC REG. §1.6038B-1(c) and 1.6038B-1T(c)

The taxpayer attaches this statement to Form 926 as required by Treas. Reg. Section 1.6038B-1(c) and Temporary Regulations Sec. 1.6038B-1T(c)(1) through 1.6028B-1T(c)(5). A statement of the facts pertinent to the exchange is as follows:

Describe ownership in Fund.

Paragraph 1. - Transferor:

- NAME Children's Hospital Orthopaedic Surg. Foundation, Inc.
- EIN: 04-2943146
- Address: 300 Longwood Avenue, HU 221, Boston, MA 02115
-

Paragraph 2. – Transferee:

(i) NAME High Vista III Ltd

- EIN: Foreign
- Address: Morgan Stanley Fund Services (Bermuda) Ltd.
  OBO High Vista II, Ltd.
  Clarendon House
  2 Church Street
  Hamilton Bermuda HM DX

- Incorporated under the laws of : Bermuda

(ii) Please refer to statement of facts above.

Paragraph 3. – Consideration Received:

Interest in Partnership

Paragraph 4. – Property Transferred:

- Cash - $110,220

Paragraph 5 – Transfer of Foreign Branch with Previously Deducted Losses – N/A

Paragraph 6 – Application of IRC Sec. 367(a)(5) - N/A

Form **926**
(Rev. December 2008)
Department of the Treasury
Internal Revenue Service

Return by a U.S. Transferor of Property to a Foreign Corporation

▶ Attach to your income tax return for the year of the transfer or distribution.

OMB No. 1545-0026

Attachment Sequence No. **128**

Part I **U.S. Transferor Information** (see instructions)

Name of transferor	Identifying number (see instructions)
Children's Orthopaedic Surg Foundation, Inc.	04-2943146

1 If the transferor was a corporation, complete questions 1a through 1d.

a If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? . . . ☐ Yes ☐ No

b Did the transferor remain in existence after the transfer? . . . ☐ Yes ☐ No

If not, list the controlling shareholder(s) and their identifying number(s):

Controlling shareholder	Identifying number

c If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? . . . ☐ Yes ☐ No

If not, list the name and employer identification number (EIN) of the parent corporation

Name of parent corporation	EIN of parent corporation

d Have basis adjustments under section 367(a)(5) been made? . . . ☐ Yes ☐ No

2 If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), complete questions 2a through 2d.

a List the name and EIN of the transferor's partnership:

Name of partnership	EIN of partnership
P.O. Pooled Investment Fund, LLC	20-8551310

b Did the partner pick up its pro rata share of gain on the transfer of partnership assets? . . . ☐ Yes ☒ No

c Is the partner disposing of its entire interest in the partnership? . . . ☐ Yes ☒ No

d Is the partner disposing of an interest in a limited partnership that is regularly traded on an established securities market? . . . ☐ Yes ☒ No

Part II **Transferee Foreign Corporation Information** (see instructions)

3 Name of transferee (foreign corporation)	4 Identifying number, if any
High Vista III, Ltd.	N/A

5 Address (including country)
Clarendon House, 2 Church Street, Hamilton Bermuda HM DX

6 Country code of country of incorporation or organization (see instructions)
BD

7 Foreign law characterization (see instructions)
Corporation

8 Is the transferee foreign corporation a controlled foreign corporation? . . . ☐ Yes ☒ No

Part III **Information Regarding Transfer of Property** (see instructions)

Type of property	(a) Date of transfer	(b) Description of property	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Gain recognized on transfer
Cash	VARIOUS		110,220		
Stock and securities					
Installment obligations, account receivables or similar property					
Foreign currency or other property denominated in foreign currency					
Inventory					
Assets subject to depreciation recapture (see Temp Regs sec 1 367(a)-4T(b))					
Tangible property used in trade or business not listed under another category					
Intangible property					
Property to be leased (as described in Temp Regs sec. 1.367(a)-4T(c))					
Property to be sold (as described in Temp Regs sec 1.367(a)-4T(d))					
Transfers of oil and gas working interests (as described in Temp Regs sec 1.367(a)-4T(e))					
Other property					

Supplemental Information Required To Be Reported (see instructions):

Part IV **Additional Information Regarding Transfer of Property** (see instructions)

9 Enter the transferor's interest in the foreign transferee corporation before and after the transfer:

(a) Before 0 % (b) After 0.0835 %

10 Type of nonrecognition transaction (see instructions) ▶ I.R.C 351

11 Indicate whether any transfer reported in Part III is subject to any of the following:

a	Gain recognition under section 904(f)(3)	☐ Yes	☒ No
b	Gain recognition under section 904(f)(5)(F)	☐ Yes	☒ No
c	Recapture under section 1503(d)	☐ Yes	☒ No
d	Exchange gain under section 987	☐ Yes	☒ No

12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? ☐ Yes ☒ No

13 Indicate whether the transferor was required to recognize income under Temporary Regulations sections 1 367(a)-4T through 1.367(a)-6T for any of the following:

a	Tainted property	☐ Yes	☒ No
b	Depreciation recapture	☐ Yes	☒ No
c	Branch loss recapture	☐ Yes	☒ No
d	Any other income recognition provision contained in the above-referenced regulations	☐ Yes	☒ No

14 Did the transferor transfer assets which qualify for the trade or business exception under section 367(a)(3)? ☐ Yes ☒ No

15a Did the transferor transfer foreign goodwill or going concern value as defined in Temporary Regulations section 1.367(a)-1T(d)(5)(iii)? ☐ Yes ☒ No

b If the answer to line 15a is "Yes," enter the amount of foreign goodwill or going concern value transferred ▶ $

16 Was cash the only property transferred? ☒ Yes ☐ No

17a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? ☐ Yes ☒ No

b If "Yes," describe the nature of the rights to the intangible property that was transferred as a result of the transaction:

Company Name: **Children's Hospital Orthopaedic Surg. Foundation, Inc.**
Taxable Year Ended: **6/30/2009**
EIN: **04-2943146**

STATEMENT FILED PURSUANT TO IRC REG. §1.6038B-1(c) and 1.6038B-1T(c)

The taxpayer attaches this statement to Form 926 as required by Treas. Reg. Section 1.6038B-1(c) and Temporary Regulations Sec. 1.6038B-1T(c)(1) through 1.6028B-1T(c)(5). A statement of the facts pertinent to the exchange is as follows:

Describe ownership in Fund.

Paragraph 1. - Transferor:

- NAME Children's Hospital Orthopaedic Surg. Foundation, Inc.
- EIN: 04-2943146
- Address: 300 Longwood Avenue, HU 221, Boston, MA 02115
-

Paragraph 2. – Transferee:

(i) NAME NYES Ledge Capital

- EIN: Foreign
- Address: NYES Ledge Capital Offshore Fund, Ltd.
  c/o Hedge Works Fund Services Limited
  1st Floor Strathvale House, Grand Cayman KY1-1108

- Incorporated under the laws of : Cayman Islands

(ii) Please refer to statement of facts above.

Paragraph 3. – Consideration Received:

Interest in Partnership

Paragraph 4. – Property Transferred:

- Cash - $200,400

Paragraph 5 – Transfer of Foreign Branch with Previously Deducted Losses – N/A

Paragraph 6 – Application of IRC Sec. 367(a)(5) - N/A

Form **926**
(Rev December 2008)
Department of the Treasury
Internal Revenue Service

Return by a U.S. Transferor of Property to a Foreign Corporation

▶ Attach to your income tax return for the year of the transfer or distribution.

OMB No 1545-0026

Attachment Sequence No. **128**

Part I U.S. Transferor Information (see instructions)

Name of transferor	Identifying number (see instructions)
Children's Orthopaedic Surg. Foundation, Inc.	04-2943146

1 If the transferor was a corporation, complete questions 1a through 1d.

a If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? . . . ☐ Yes ☐ No

b Did the transferor remain in existence after the transfer? . . . ☐ Yes ☐ No

If not, list the controlling shareholder(s) and their identifying number(s):

Controlling shareholder	Identifying number

c If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? . . . ☐ Yes ☐ No

If not, list the name and employer identification number (EIN) of the parent corporation:

Name of parent corporation	EIN of parent corporation

d Have basis adjustments under section 367(a)(5) been made? . . . ☐ Yes ☐ No

2 If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), complete questions 2a through 2d

a List the name and EIN of the transferor's partnership:

Name of partnership	EIN of partnership
P.O Pooled Investment Fund, LLC	20-8551310

b Did the partner pick up its pro rata share of gain on the transfer of partnership assets? . . . ☐ Yes ☒ No

c Is the partner disposing of its **entire** interest in the partnership? . . . ☐ Yes ☒ No

d Is the partner disposing of an interest in a limited partnership that is regularly traded on an established securities market? . . . ☐ Yes ☒ No

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation)	4 Identifying number, if any
NYES Ledge Capital	N/A

5 Address (including country)
c/o HedgeWorks Fund Services Limited, 1st Floor Strathvale House, Grand Cayman Cayman Islands, KY1-1108

6 Country code of country of incorporation or organization (see instructions)
CJ

7 Foreign law characterization (see instructions)
Corporation

8 Is the transferee foreign corporation a controlled foreign corporation? . . . ☐ Yes ☒ No

Part III **Information Regarding Transfer of Property** (see instructions)

Type of property	(a) Date of transfer	(b) Description of property	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Gain recognized on transfer
Cash	VARIOUS		200,400		
Stock and securities					
Installment obligations, account receivables or similar property					
Foreign currency or other property denominated in foreign currency					
Inventory					
Assets subject to depreciation recapture (see Temp Regs sec 1 367(a)-4T(b))					
Tangible property used in trade or business not listed under another category					
Intangible property					
Property to be leased (as described in Temp Regs. sec 1.367(a)-4T(c))					
Property to be sold (as described in Temp. Regs. sec 1 367(a)-4T(d))					
Transfers of oil and gas working interests (as described in Temp Regs sec. 1 367(a)-4T(e))					
Other property					

Supplemental Information Required To Be Reported (see instructions):

Part IV **Additional Information Regarding Transfer of Property** (see instructions)

9 Enter the transferor's interest in the foreign transferee corporation before and after the transfer:

(a) Before 0.0020 % (b) After 0.0451 %

10 Type of nonrecognition transaction (see instructions) ▶ I.R.C 351

11 Indicate whether any transfer reported in Part III is subject to any of the following:

a	Gain recognition under section 904(f)(3)	☐ Yes	☒ No
b	Gain recognition under section 904(f)(5)(F)	☐ Yes	☒ No
c	Recapture under section 1503(d)	☐ Yes	☒ No
d	Exchange gain under section 987	☐ Yes	☒ No

12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? ☐ Yes ☒ No

13 Indicate whether the transferor was required to recognize income under Temporary Regulations sections 1 367(a)-4T through 1.367(a)-6T for any of the following:

a	Tainted property	☐ Yes	☒ No
b	Deprec ation recapture	☐ Yes	☒ No
c	Branch loss recapture	☐ Yes	☒ No
d	Any other income recognition provision contained in the above-referenced regulations	☐ Yes	☒ No

14 Did the transferor transfer assets which qualify for the trade or business exception under section 367(a)(3)? ☐ Yes ☒ No

15a Did the transferor transfer foreign goodwill or going concern value as defined in Temporary Regulations section 1 367(a)-1T(d)(5)(iii)? ☐ Yes ☒ No

b If the answer to line 15a is "Yes," enter the amount of foreign goodwill or going concern value transferred ▶ $

16 Was cash the only property transferred? ☒ Yes ☐ No

17a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? ☐ Yes ☒ No

b If "Yes," describe the nature of the rights to the intangible property that was transferred as a result of the transaction:

Company Name: **Children's Hospital Orthopaedic Surg. Foundation, Inc.**
Taxable Year Ended: **6/30/2009**
EIN: **04-2943146**

STATEMENT FILED PURSUANT TO IRC REG. §1.6038B-1(c) and 1.6038B-1T(c)

The taxpayer attaches this statement to Form 926 as required by Treas. Reg. Section 1.6038B-1(c) and Temporary Regulations Sec. 1.6038B-1T(c)(1) through 1.6028B-1T(c)(5). A statement of the facts pertinent to the exchange is as follows:

Describe ownership in Fund.

Paragraph 1. - Transferor:

- NAME Children's Hospital Orthopaedic Surg. Foundation, Inc.
- EIN: 04-2943146
- Address: 300 Longwood Avenue, HU 221, Boston, MA 02115
-

Paragraph 2. – Transferee:

(i) NAME Weatherlow (Evanston Capital)

- EIN: 98-0464288
- Address: The Weatherlow Offshore Fund I Ltd
  Certificate Number: 6235
  c/o Maples & Calder Corporate Services, Limited
  Ugland House; P.O. Box 309, South Church Street, Grand Cayman, KY1-1104

- Incorporated under the laws of Cayman Islands

(ii) Please refer to statement of facts above.

Paragraph 3. – Consideration Received:

Interest in Partnership

Paragraph 4. – Property Transferred:

- Cash - $303,940

Paragraph 5 – Transfer of Foreign Branch with Previously Deducted Losses – N/A

Paragraph 6 – Application of IRC Sec. 367(a)(5) - N/A

Form **926**
(Rev. December 2008)
Department of the Treasury
Internal Revenue Service

Return by a U.S. Transferor of Property to a Foreign Corporation

▶ Attach to your income tax return for the year of the transfer or distribution.

OMB No 1545-0026

Attachment Sequence No. **128**

Part I U.S. Transferor Information (see instructions)

Name of transferor	Identifying number (see instructions)
Children's Orthopaedic Surg. Foundation, Inc.	04-2943146

1 If the transferor was a corporation, complete questions 1a through 1d.

a If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? . . . ☐ Yes ☐ No

b Did the transferor remain in existence after the transfer? . . . ☐ Yes ☐ No

If not, list the controlling shareholder(s) and their identifying number(s):

Controlling shareholder	Identifying number

c If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? . . . ☐ Yes ☐ No

If not, list the name and employer identification number (EIN) of the parent corporation:

Name of parent corporation	EIN of parent corporation

d Have basis adjustments under section 367(a)(5) been made? . . . ☐ Yes ☐ No

2 If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), complete questions 2a through 2d.

a List the name and EIN of the transferor's partnership:

Name of partnership	EIN of partnership
P.O Pooled Investment Fund, LLC	20-8551310

b Did the partner pick up its pro rata share of gain on the transfer of partnership assets? . . . ☐ Yes ☒ No

c Is the partner disposing of its **entire** interest in the partnership? . . . ☐ Yes ☒ No

d Is the partner disposing of an interest in a limited partnership that is regularly traded on an established securities market? . . . ☐ Yes ☒ No

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation)	4 Identifying number, if any
Weatherlow (Evanston Capital)	98-0464288

5 Address (including country)
Ugland House; P.O. Box 309, South Church Street, Grand Cayman KY1-1104, Cayman Islands

6 Country code of country of incorporation or organization (see instructions)
CJ

7 Foreign law characterization (see instructions)
Corporation

8 Is the transferee foreign corporation a controlled foreign corporation? . . . ☐ Yes ☒ No

Part III **Information Regarding Transfer of Property** (see instructions)

Type of property	(a) Date of transfer	(b) Description of property	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Gain recognized on transfer
Cash	VARIOUS		303,940		
Stock and securities					
Installment obligations, account receivables or similar property					
Foreign currency or other property denominated in foreign currency					
Inventory					
Assets subject to depreciation recapture (see Temp Regs. sec 1 367(a)-4T(b))					
Tangible property used in trade or business not listed under another category					
Intangible property					
Property to be leased (as described in Temp. Regs. sec 1.367(a)-4T(c))					
Property to be sold (as described in Temp. Regs sec 1 367(a)-4T(d))					
Transfers of oil and gas working interests (as described in Temp Regs sec 1 367(a)-4T(e))					
Other property					

Supplemental Information Required To Be Reported (see instructions):

Part IV **Additional Information Regarding Transfer of Property** (see instructions)

9 Enter the transferor's interest in the foreign transferee corporation before and after the transfer:

(a) Before 0.0031 % (b) After 0.0762 %

10 Type of nonrecognition transaction (see instructions) ▶ IRC 351

11	Indicate whether any transfer reported in Part III is subject to any of the following:		
a	Gain recognition under section 904(f)(3)	☐ Yes	☒ No
b	Gain recognition under section 904(f)(5)(F)	☐ Yes	☒ No
c	Recapture under section 1503(d)	☐ Yes	☒ No
d	Exchange gain under section 987	☐ Yes	☒ No
12	Did this transfer result from a change in the classification of the transferee to that of a foreign corporation?	☐ Yes	☒ No
13	Indicate whether the transferor was required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T for any of the following		
a	Tainted property	☐ Yes	☒ No
b	Depreciation recapture	☐ Yes	☒ No
c	Branch loss recapture	☐ Yes	☒ No
d	Any other income recognition provision contained in the above-referenced regulations	☐ Yes	☒ No
14	Did the transferor transfer assets which qualify for the trade or business exception under section 367(a)(3)?	☐ Yes	☒ No
15a	Did the transferor transfer foreign goodwill or going concern value as defined in Temporary Regulations section 1.367(a)-1T(d)(5)(iii)?	☐ Yes	☒ No
b	If the answer to line 15a is "Yes," enter the amount of foreign goodwill or going concern value transferred ▶ $		
16	Was cash the only property transferred?	☒ Yes	☐ No
17a	Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction?	☐ Yes	☒ No

b If "Yes," describe the nature of the rights to the intangible property that was transferred as a result of the transaction: