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March 6, 1997

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Pension and Welfare Benefits Administration
Room N-5644
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, D.C. 20210

Re: Tri-State Orthopedic Institute, P.C. Money Purchase Plan

EIN: 86-0729474

Gentlemen:

On behalf of the Plan Administrator for the above Plan, we are enclosing a copy of a Summary of Material Modifications distributed to participants in February, 1997.

Sincerely,

Marcia Weaver

Marcia Weaver, QPA

MW/pc

Enclosure

cc: Blake Stamper, D.O.
Tony Kong

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RCR-PYP

SUMMARY OF MATERIAL MODIFICATIONS
TO THE
TRI-STATE ORTHOPEDIC INSTITUTE, P.C. MONEY PURCHASE PLAN

EIN: 86-0729474
PLAN NO. 001

This summary updates sections of the Summary Plan Description (SPD) you received when you became a participant of the Plan. Please file this notice with your SPD.

Effective January 1, 1997, Section 8 of the SPD has been amended as follows:

(8) *Employer's Contributions.* The Plan as adopted by the Employer is an integrated money purchase pension plan. "Integrated money purchase pension plan" means the Plan takes into account contributions the Employer makes for employees under the Federal Social Security Act in making Employer contribution allocations. Under the Plan's contribution formula, the Employer, for each plan year, must contribute an amount equal to 5.4% of your compensation for the plan year and 5.4% of the amount of your excess compensation for the plan year. Excess compensation is a participant's compensation in excess of the designated integration level. This designated integration level is 80% of the taxable wage base in effect at the beginning of the plan year, rounded to next highest \$100 but not exceeding the taxable wage base. The Federal government annually adjusts the taxable wage base.

The Advisory Committee will allocate the contribution the Employer makes on your behalf for a particular plan year to your separate account. For example, if your compensation for a plan year exceeds the Plan's designated integration level by \$5,000, then your account would receive an allocation of 5.4% of \$5,000, or \$270.00, plus 5.4% of your total compensation.

Allocation of forfeitures. The Plan allocates participant forfeitures as if the forfeitures were Employer contributions. The Plan treats a forfeiture as a reduction of the Employer contributions otherwise made for the plan year in which the forfeiture occurs.