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**KAMENSKY & RUBINSTEIN**

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

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January 10, 1994

THE MONADNOCK BUILDING  
SUITE 1410

53 WEST JACKSON BOULEVARD  
CHICAGO, ILLINOIS 60604  
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CABLE:

"LAWTAX CHICAGO"

MARVIN KAMENSKY, LTD.

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

Re: Barrington Orthopedic Specialists, Ltd.  
Deferred Compensation Plan  
FEIN: 36-3062013

Dear Sir or Madam:

Enclosed please find a copy of the Deferred Compensation Plan for the above-captioned company. This company has created a plan for the purpose of providing deferred compensation to one (1) highly compensated employee.

Should you have any questions regarding the enclosed document please do not hesitate to contact our office.

Very truly yours,

KAMENSKY & RUBINSTEIN

  
Marvin Kamensky, Ltd.

Enclosure  
(12288-3800)

cc: Keith Schroeder, M.D.  
Ciro Cirrincione, M.D.  
Judy Aburmishan

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**BARRINGTON ORTHOPEDIC SPECIALISTS, LTD.  
DEFERRED COMPENSATION PLAN**

THIS AGREEMENT, entered into this 31 day of December, 1993, by and between BARRING ORTHOPEDIC SPECIALISTS, LTD., an Illinois corporation, (hereinafter referred to as the "Company") and KEITH SCHROEDER, M.D. and CIRO CIRRINCIONE, M.D. (hereinafter collectively referred to as the "Employees").

W I T N E S S E T H :

WHEREAS, Employees are now employed by Company and have been for many years;  
and

WHEREAS, Employees' past services have contributed materially to the successful operation and growth of Company; and

WHEREAS, Company desires to reward Employees for their prior services and provide them with a benefit; and

WHEREAS, after reviewing Employees' record of past compensation, Company believes that it is in the best interest of Company to enter into this Plan to provide a deferred compensation to Employees payable over time; and

WHEREAS, Employees desire to enter into this Plan with Company under which Company will agree to make certain payments to each of Employees under the terms and conditions of this Plan.

NOW, THEREFORE, in consideration of the covenants and agreements herein set forth, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto covenant and agree as follows:

ARTICLE I

Deferred Compensation

Company hereby provides non-forfeitable deferred compensation to Employees in accordance with this Plan.

## ARTICLE II

### Employee's Vesting

Employees are immediately and fully vested in this Plan.

## ARTICLE III

### Amount of Payments

The amount of the payments to be made by Company to Employees shall be designated by the specific Deferred Compensation Obligation(s) attached hereto as Exhibit A and Exhibit B and incorporated in this Plan by this reference.

## ARTICLE IV

### Administration

Section 1. Named Fiduciary and Plan Administrator. For purposes of the Employment Retirement Income Security Act of 1974, as amended ("ERISA"), Company will be the "named fiduciary" and the "plan administrator" of this plan for which this Plan is hereby designated the written plan instrument.

Section 2. Right to Employ Others. Company's board of directors may authorize a person or group of persons to fulfill the responsibilities of Company as plan administrator. The named fiduciary or the plan administrator may employ others to render advice with regard to its responsibilities under the Plan. The named fiduciary may also allocate fiduciary responsibilities to others and may exercise any other powers necessary for the discharge of its duties to the extent not in conflict with ERISA.

### Section 3. Claims Procedure.

- (a) Claims for Benefit. Claims for benefits under the Plan shall be made in writing to the named fiduciary or the committee, division or board handling or administering the Plan, or any officer of the Corporation.
- (b) Notice of Denial of Claim. If such claim for benefits is wholly or partially denied, the named fiduciary shall, within ninety (90) days after receipt of the claim, notify the claimant of the denial of the claim. Such notice of denial (i) shall be in writing, (ii) shall be written in a manner calculated to be understood by the claimant, and (iii) shall contain (a) the specific reason or reasons for denial of the claim, (b) a specific reference to the pertinent provisions upon which the denial is based, (c) a description of any additional material or information necessary for the claimant to perfect the claim, along with an explanation why such material or information is necessary, and (d) an explanation of the claim review procedure.

- (c) Request for Review of Denial of Claim. Within one hundred twenty (120) days of the receipt by the claimant of the written notice of denial of the claim, or such later time as shall be deemed reasonable taking into account the nature of the benefit subject to the claim and any other attendant circumstances or if the claim has not been granted within a reasonable period of time, the claimant may file a written request with the named fiduciary that he conduct a full and fair review of the denial of the claimant's claim for benefits, including the conduct of a hearing, if deemed necessary by the reviewing party. In connection with the claimant's appeal of the denial of his benefit, the claimant may review pertinent documents and may submit issues and comments in writing.
- (d) Decision on Review of Denial of Claim. The named fiduciary shall deliver to the claimant a written decision on the claim promptly, but not later than sixty (60) days after the receipt of the claimant's request for review, except that if there are special circumstances (such as the need to hold a hearing, if necessary) which require an extension of time for processing, the aforesaid sixty (60) day period shall be extended to one hundred twenty (120) days. Such decision shall (1) be written in a manner calculated to be understood by the claimant, (ii) include specific reasons for the decision, and (iii) contain specific references to the pertinent provisions upon which the decision is based.

## ARTICLE V

### Miscellaneous Provisions

Section 1. Assignment. The right of either Employees to the payment of benefits under this Plan shall not be assigned, transferred, pledged or encumbered, nor subject to the claims of Employees' creditors.

Section 2. Disability. If the plan administrator shall find that any person to whom any payment is payable under this Plan is unable to care for his affairs because of illness or accident, or is under any legal disability, any payment due (unless a prior claim thereof shall have been made by a duly appointed guardian, committee, or other legal representative) may be paid to the spouse, a child, a parent, or a brother or sister of such person, or to any party designated by an Employee. Any such payment shall be a complete discharge of the liability of Company under this Plan for such payment.

Section 3. Binding Effect. This Plan shall be binding and inure to the benefit of Company, its successor and assigns and Employees and their heirs, executors, administrators and legal representatives.

Section 4. Claims of Creditors. Notwithstanding any of the provisions of this Plan to the contrary, it is understood and agreed that any payments received by Company or assets maintained by Company shall be subject to valid claims of its general creditors.

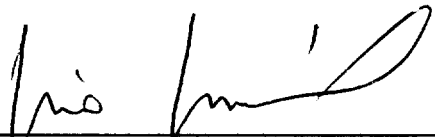
Section 5. Interpretation. This Plan shall be construed in accordance with and governed by the laws of the State of Illinois.

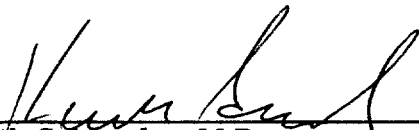
IN WITNESS WHEREOF, Company has caused this Plan to be executed by its duly authorized officers and Employees have signed this Plan as of the date first above written.


**BARRINGTON ORTHOPEDIC SPECIALISTS, LTD.**

By:   
\_\_\_\_\_  
President

**ATTEST:**

  
\_\_\_\_\_  
Secretary

  
\_\_\_\_\_  
Keith Schroeder, M.D.

  
\_\_\_\_\_  
Ciro Cirvicione, M.D.

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DEFERRED COMPENSATION OBLIGATION

IN CONSIDERATION OF the valuable services performed by KEITH SCHROEDER, M.D. ("Employee") on behalf of BARRINGTON ORTHOPEDIC SPECIALISTS, LTD. ("Company"), Company hereby agrees that it shall pay to Employee an amount equal to Nine Hundred Thousand and 00/100 Dollars (\$900,000) (the "Deferred Compensation Obligation").

Said Deferred Compensation Obligation shall be a fixed but unsecured liability of Company to Employee and Company shall not be obligated to segregate any funds or to provide a sinking fund for the payment of these monies.

Company shall pay the Deferred Compensation Obligation as provided above in such installments as shall be determined by Company subject to cash availability beginning January 15, 1994 and payable no later than February 28, 1999.


Notwithstanding the foregoing, Company and Employee agree that in no event shall Company pay Employee deferred compensation hereunder in excess of the amount payable to Employee as deferred compensation under any agreement by and between Company and Employee, computed as if Employee's employment with Company had terminated December 31, 1993. The parties agree and acknowledge any amounts still owing and due hereunder shall be offset against any deferred compensation payable to Employee under any currently existing deferred compensation agreement by and between Company and Employee.

IN WITNESS WHEREOF, Company has caused this Agreement to be signed by its duly authorized officers, and Employee has signed this Agreement indicating Employee's acknowledgement and acceptance of this Agreement on the \_\_\_\_\_ day of December, 1993.

BARRINGTON ORTHOPEDIC  
SPECIALISTS, LTD.

BY: Keith Schroeder M.D.  
President

ATTEST:

  
Secretary

Keith Schroeder M.D.  
Keith Schroeder, M.D.

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EXHIBIT A

DEFERRED COMPENSATION OBLIGATION

IN CONSIDERATION OF the valuable services performed by CIRO CIRRINCIONE, M.D. ("Employee") on behalf of BARRINGTON ORTHOPEDIC SPECIALISTS, LTD. ("Company"), Company hereby agrees that it shall pay to Employee an amount equal to Nine Hundred Thousand and 00/100 Dollars (\$900,000) (the "Deferred Compensation Obligation").

Said Deferred Compensation Obligation shall be a fixed but unsecured liability of Company to Employee and Company shall not be obligated to segregate any funds or to provide a sinking fund for the payment of these monies.

Company shall pay the Deferred Compensation Obligation as provided above in such installments as shall be determined by Company subject to cash availability beginning January 15, 1994 and payable no later than February 28, 1999.

Notwithstanding the foregoing, Company and Employee agree that in no event shall Company pay Employee deferred compensation hereunder in excess of the amount payable to Employee as deferred compensation under any agreement by and between Company and Employee, computed as if Employee's employment with Company had terminated December 31, 1993. The parties agree and acknowledge any amounts still owing and due hereunder shall be offset against any deferred compensation payable to Employee under any currently existing deferred compensation agreement by and between Company and Employee.

IN WITNESS WHEREOF, Company has caused this Agreement to be signed by its duly authorized officers, and Employee has signed this Agreement indicating Employee's acknowledgement and acceptance of this Agreement on the \_\_\_\_\_ day of December, 1993.

BARRINGTON ORTHOPEDIC  
SPECIALISTS, LTD.

BY: *Kevin Sluder MD*  
President

ATTEST:

*[Signature]*  
Secretary

*[Signature]*  
Ciro Cirrincione, M.D.

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EXHIBIT B