

**Graydon
Head &
Ritchey**

Attorneys at Law

Robert R. Saelinger
Direct Dial: 513/629-2892

1900 Fifth Third Center
511 Walnut Street
Cincinnati Ohio 45202
513/621-6464
Facsimile 513/651-3836

Mailing Address:
P.O. Box 6464
Cincinnati Ohio 45201

Kentucky Office:
8100 Burlington Pike
Florence Kentucky 41042
606/282-8800
Facsimile 606/525-0214

October 19, 1993

**CERTIFIED MAIL -
RETURN RECEIPT REQUESTED**

2520032032931

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

Re: Surgical Appliance Industries, Inc. Nonqualified
Unfunded Deferred Compensation Plan

Dear Sir or Madam:

On behalf of our client, Surgical Appliance Industries, Inc., enclosed is the Alternative Reporting and Disclosure Statement under Regulation §2520.104-23 filed this day with respect to the above-referenced nonqualified deferred compensation plan for a certain key employee of the corporation. If any additional information is needed regarding this plan, please contact the undersigned.

Very truly yours,

GRAYDON, HEAD & RITCHEY


Robert R. Saelinger

RRS/lav
Enclosure

c: Leslie T. Applegate, Jr. (w/encl.)
L. Thomas Applegate
William J. Baechtold, Esq. (w/encl.)

ALTERNATIVE REPORTING AND DISCLOSURE STATEMENT
FOR PENSION PLANS FOR CERTAIN SELECTED EMPLOYEES

To the Secretary of Labor:

In compliance with the requirements of the alternative method of reporting and disclosure under Part I of Title I of the Employee Retirement Income Security Act of 1974 for unfunded or insured pension plans for select groups of management or highly compensated employees, specified in Department of Labor Regulations 29 C.F.R. Section 2520.104-23, the following information is provided on behalf of Surgical Appliance Industries, Inc.:

Name and Address of Employer: Surgical Appliance
Industries, Inc.
3960 Rosslyn Drive
Cincinnati, Ohio 45209

Employer Identification
Number: 31-0397670

Surgical Appliance Industries, Inc. maintains a nonqualified deferred compensation plan which became effective as of June 25, 1993 for the purpose of providing deferred compensation for a certain management or highly compensated employee. One (1) employee is eligible to participate in the Plan. Copies of the Plan document are available upon request.

Dated: October 19, 1993