# Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

**2013**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

**A** This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

**B** This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

**C** If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

**D** Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

## Part II Basic Plan Information—enter all requested information

**1a** Name of plan
AMBRY GENETICS CORPORATION 401K PLAN

**1b** Three-digit plan number (PN) ▶ 001

**1c** Effective date of plan 01/01/2006

**2a** Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)

AMBRY GENETICS CORPORATION

15 ARGONAUT
ALISO VIEJO, CA 92656-4114

**2b** Employer Identification Number (EIN)
33-0892453

**2c** Sponsor's telephone number
949-900-5585

**2d** Business code (see instructions)
541990

**Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.**

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

| | | | |
|---|---|---|---|
| **SIGN HERE** | Filed with authorized/valid electronic signature. | 10/14/2014 | MIKE MARTINSON |
| | **Signature of plan administrator** | Date | Enter name of individual signing as plan administrator |
| **SIGN HERE** | | | |
| | **Signature of employer/plan sponsor** | Date | Enter name of individual signing as employer or plan sponsor |
| **SIGN HERE** | | | |
| | **Signature of DFE** | Date | Enter name of individual signing as DFE |

Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)

Preparer's telephone number (optional)

**3a** Plan administrator's name and address ☐ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address

AMBRY GENETICS CORPORATION

15 ARGONAUT
ALISO VIEJO, CA 92656-4114

**3b** Administrator's EIN
33-0892453

**3c** Administrator's telephone number
949-900-5500

**4** If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

**a** Sponsor's name

**4b** EIN

**4c** PN

| | | | |
|---|---|---|---|
| **5** | Total number of participants at the beginning of the plan year | **5** | 180 |
| **6** | Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**). | | |
| **a** | Active participants | **6a** | 197 |
| **b** | Retired or separated participants receiving benefits | **6b** | 0 |
| **c** | Other retired or separated participants entitled to future benefits | **6c** | 17 |
| **d** | Subtotal. Add lines **6a**, **6b**, and **6c** | **6d** | 214 |
| **e** | Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. | **6e** | 0 |
| **f** | Total. Add lines **6d** and **6e**. | **6f** | 214 |
| **g** | Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | 81 |
| **h** | Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 11 |
| **7** | Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | **7** | |

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
2A 2E 2F 2G 2J 2K 2T 3D

**b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

**9a** Plan funding arrangement (check all that apply)

| | | |
|---|---|---|
| **(1)** | X | Insurance |
| **(2)** | | Code section 412(e)(3) insurance contracts |
| **(3)** | X | Trust |
| **(4)** | | General assets of the sponsor |

**9b** Plan benefit arrangement (check all that apply)

| | | |
|---|---|---|
| **(1)** | X | Insurance |
| **(2)** | | Code section 412(e)(3) insurance contracts |
| **(3)** | X | Trust |
| **(4)** | | General assets of the sponsor |

**10** Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

**a Pension Schedules**

| | | |
|---|---|---|
| **(1)** | X | **R** (Retirement Plan Information) |
| **(2)** | | **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary |
| **(3)** | | **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary |

**b General Schedules**

| | | | |
|---|---|---|---|
| **(1)** | X | | **H** (Financial Information) |
| **(2)** | | | **I** (Financial Information – Small Plan) |
| **(3)** | | 0 | **A** (Insurance Information) |
| **(4)** | | | **C** (Service Provider Information) |
| **(5)** | | | **D** (DFE/Participating Plan Information) |
| **(6)** | | | **G** (Financial Transaction Schedules) |

# SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

**2013**

**This Form is Open to Public Inspection**

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

**A** Name of plan
AMBRY GENETICS CORPORATION 401K PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
AMBRY GENETICS CORPORATION

**D** Employer Identification Number (EIN)
33-0892453

## Part I Asset and Liability Statement

**1** Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

| Assets | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **a** Total noninterest-bearing cash | 1a | | |
| **b** Receivables (less allowance for doubtful accounts): | | | |
| **(1)** Employer contributions | 1b(1) | | |
| **(2)** Participant contributions | 1b(2) | | |
| **(3)** Other | 1b(3) | | |
| **c** General investments: | | | |
| **(1)** Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | 17864 | 24644 |
| **(2)** U.S. Government securities | 1c(2) | | |
| **(3)** Corporate debt instruments (other than employer securities): | | | |
| **(A)** Preferred | 1c(3)(A) | | |
| **(B)** All other | 1c(3)(B) | | |
| **(4)** Corporate stocks (other than employer securities): | | | |
| **(A)** Preferred | 1c(4)(A) | | |
| **(B)** Common | 1c(4)(B) | | |
| **(5)** Partnership/joint venture interests | 1c(5) | | |
| **(6)** Real estate (other than employer real property) | 1c(6) | | |
| **(7)** Loans (other than to participants) | 1c(7) | | |
| **(8)** Participant loans | 1c(8) | 0 | 0 |
| **(9)** Value of interest in common/collective trusts | 1c(9) | | |
| **(10)** Value of interest in pooled separate accounts | 1c(10) | | |
| **(11)** Value of interest in master trust investment accounts | 1c(11) | | |
| **(12)** Value of interest in 103-12 investment entities | 1c(12) | | |
| **(13)** Value of interest in registered investment companies (e.g., mutual funds) | 1c(13) | 1131057 | 1620014 |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | | |
| **(15)** Other | 1c(15) | | |

| | | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|---|
| **1d** | Employer-related investments: | | | |
| | **(1)** Employer securities | 1d(1) | | |
| | **(2)** Employer real property | 1d(2) | | |
| **e** | Buildings and other property used in plan operation | 1e | | |
| **f** | Total assets (add all amounts in lines 1a through 1e) | 1f | 1148921 | 1644658 |
| | **Liabilities** | | | |
| **g** | Benefit claims payable | 1g | | |
| **h** | Operating payables | 1h | | |
| **i** | Acquisition indebtedness | 1i | | |
| **j** | Other liabilities | 1j | | |
| **k** | Total liabilities (add all amounts in lines 1g through1j) | 1k | 0 | 0 |
| | **Net Assets** | | | |
| **l** | Net assets (subtract line 1k from line 1f) | 1l | 1148921 | 1644658 |

## Part II Income and Expense Statement

**2** Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

| | Income | | (a) Amount | (b) Total |
|---|---|---|---|---|
| **a** | **Contributions:** | | | |
| | **(1)** Received or receivable in cash from: **(A)** Employers | 2a(1)(A) | 0 | |
| | **(B)** Participants | 2a(1)(B) | 331766 | |
| | **(C)** Others (including rollovers) | 2a(1)(C) | 86558 | |
| | **(2)** Noncash contributions | 2a(2) | | |
| | **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 418324 |
| **b** | **Earnings on investments:** | | | |
| | **(1)** Interest: | | | |
| | **(A)** Interest-bearing cash (including money market accounts and certificates of deposit) | 2b(1)(A) | | |
| | **(B)** U.S. Government securities | 2b(1)(B) | | |
| | **(C)** Corporate debt instruments | 2b(1)(C) | | |
| | **(D)** Loans (other than to participants) | 2b(1)(D) | | |
| | **(E)** Participant loans | 2b(1)(E) | | |
| | **(F)** Other | 2b(1)(F) | | |
| | **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 0 |
| | **(2)** Dividends: **(A)** Preferred stock | 2b(2)(A) | | |
| | **(B)** Common stock | 2b(2)(B) | | |
| | **(C)** Registered investment company shares (e.g. mutual funds) | 2b(2)(C) | | |
| | **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | 0 |
| | **(3)** Rents | 2b(3) | | |
| | **(4)** Net gain (loss) on sale of assets: **(A)** Aggregate proceeds | 2b(4)(A) | | |
| | **(B)** Aggregate carrying amount (see instructions) | 2b(4)(B) | | |
| | **(C)** Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result | 2b(4)(C) | | 0 |
| | **(5)** Unrealized appreciation (depreciation) of assets: **(A)** Real estate | 2b(5)(A) | | |
| | **(B)** Other | 2b(5)(B) | | |
| | **(C)** Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)** | 2b(5)(C) | | 0 |

| | | (a) Amount | (b) Total |
|---|---|---|---|
| (6) Net investment gain (loss) from common/collective trusts | 2b(6) | | |
| (7) Net investment gain (loss) from pooled separate accounts | 2b(7) | | |
| (8) Net investment gain (loss) from master trust investment accounts | 2b(8) | | |
| (9) Net investment gain (loss) from 103-12 investment entities | 2b(9) | | |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) | 2b(10) | | 281971 |
| c Other income | 2c | | |
| d Total income. Add all **income** amounts in column (b) and enter total | 2d | | 700295 |
| **Expenses** | | | |
| e Benefit payment and payments to provide benefits: | | | |
| (1) Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 193181 | |
| (2) To insurance carriers for the provision of benefits | 2e(2) | | |
| (3) Other | 2e(3) | | |
| (4) Total benefit payments. Add lines **2e(1)** through **(3)** | 2e(4) | | 193181 |
| f Corrective distributions (see instructions) | 2f | | 11377 |
| g Certain deemed distributions of participant loans (see instructions) | 2g | | |
| h Interest expense | 2h | | |
| i Administrative expenses: (1) Professional fees | 2i(1) | | |
| (2) Contract administrator fees | 2i(2) | | |
| (3) Investment advisory and management fees | 2i(3) | | |
| (4) Other | 2i(4) | | |
| (5) Total administrative expenses. Add lines **2i(1)** through **(4)** | 2i(5) | | 0 |
| j Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 204558 |
| **Net Income and Reconciliation** | | | |
| k Net income (loss). Subtract line **2j** from line **2d** | 2k | | 495737 |
| l Transfers of assets: | | | |
| (1) To this plan | 2l(1) | | |
| (2) From this plan | 2l(2) | | |

## Part III Accountant's Opinion

**3** Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

**a** The attached opinion of an independent qualified public accountant for this plan is (see instructions):

**(1)** [ ] Unqualified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

**b** Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

**c** Enter the name and EIN of the accountant (or accounting firm) below:

**(1)** Name: SQUAR,MILNER,PETERSON,MIRANDA, WILL **(2)** EIN: 33-0835986

**d** The opinion of an independent qualified public accountant is **not attached** because:

**(1)** [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

## Part IV Compliance Questions

**4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

| | | Yes | No | Amount |
|---|---|---|---|---|
| **a** Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) | 4a | X | | 1400 |
| **b** Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) | 4b | | X | |

| | | | Yes | No | Amount |
|---|---|---|---|---|---|
| c | Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) | 4c | | X | |
| d | Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) | 4d | | X | |
| e | Was this plan covered by a fidelity bond? | 4e | X | | 150000 |
| f | Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | 4f | | X | |
| g | Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? | 4g | | X | |
| h | Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? | 4h | | X | |
| i | Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) | 4i | X | | |
| j | Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.) | 4j | | X | |
| k | Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? | 4k | | X | |
| l | Has the plan failed to provide any benefit when due under the plan? | 4l | | X | |
| m | If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) | 4m | X | | |
| n | If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. | 4n | X | | |

**5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If "Yes," enter the amount of any plan assets that reverted to the employer this year..... ☐ **Yes** ☒ **No** **Amount:**

**5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

| **5b(1)** Name of plan(s) | **5b(2)** EIN(s) | **5b(3)** PN(s) |
|---|---|---|
| | | |
| | | |
| | | |
| | | |

**5c** If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ..... ☐ Yes ☐ No ☐ Not determined

## Part V Trust Information (optional)

| **6a** Name of trust | **6b** Trust's EIN |
|---|---|
| | |

# SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

**2013**

**This Form is Open to Public Inspection.**

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

**A** Name of plan
AMBRY GENETICS CORPORATION 401K PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
AMBRY GENETICS CORPORATION

**D** Employer Identification Number (EIN)
33-0892453

## Part I Distributions

**All references to distributions relate only to payments of benefits during the plan year.**

**1** Total value of distributions paid in property other than in cash or the forms of property specified in the instructions ..... **1** 0

**2** Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 31-4156830

**Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.**

**3** Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year ..... **3**

## Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

**4** Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

**If the plan is a defined benefit plan, go to line 8.**

**5** If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

**If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.**

**6 a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) ..... **6a**

**b** Enter the amount contributed by the employer to the plan for this plan year ..... **6b**

**c** Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) ..... **6c**

**If you completed line 6c, skip lines 8 and 9.**

**7** Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

**8** If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

## Part III Amendments

**9** If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

## Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

**10** Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

**11 a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

**b** If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

**12** Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

## Part V Additional Information for Multiemployer Defined Benefit Pension Plans

**13** Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

**14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

| | | |
|---|---|---|
| **a** The current year | **14a** | |
| **b** The plan year immediately preceding the current plan year | **14b** | |
| **c** The second preceding plan year | **14c** | |

**15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

| | | |
|---|---|---|
| **a** The corresponding number for the plan year immediately preceding the current plan year | **15a** | |
| **b** The corresponding number for the second preceding plan year | **15b** | |

**16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

| | | |
|---|---|---|
| **a** Enter the number of employers who withdrew during the preceding plan year | **16a** | |
| **b** If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers | **16b** | |

**17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

## Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

**18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

**19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

**a** Enter the percentage of plan assets held as:
Stock: 00% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

**b** Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

**c** What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):




Certified Public Accountants
and Financial Advisors

# Ambry Genetics 401(k) Plan

Financial Statements and
Supplemental Schedules
December 31, 2013 and 2012

# INDEX TO FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES


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* Note: Schedules other than those listed above have been omitted because the information is otherwise disclosed, not applicable or not required by 29 CFR 2520.103-10 of the Department of Labor Rules and Regulations for Reporting under the Employee Retirement Income Security Act of 1974.

squarmilner
Certified Public Accountants
and Financial Advisors

Squar, Milner, Peterson, Miranda & Williamson, LLP

# INDEPENDENT AUDITORS' REPORT

To the Participants and Administrator
Ambry Genetics 401(k) Plan

## Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Ambry Genetics 401(k) Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2013 and 2012, and the related statement of changes in net assets available for benefits for the year ended December 31, 2013, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

### *Basis for Disclaimer of Opinion*

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Nationwide Trust Company, FSB (the "Custodian"), except for comparing such information with the related information included in the financial statements. We have been informed by the Plan administrator that the Custodian holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained certifications from the Custodian as of December 31, 2013 and 2012, and for the year ended December 31, 2013, that the information provided to the Plan administrator by the Custodian is complete and accurate.

***Disclaimer of Opinion***

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

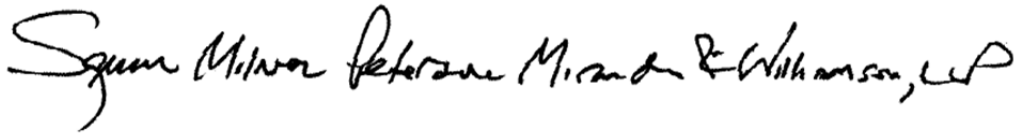
***Other Matter – Supplemental Schedules***

The supplemental Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of the year ended December 31, 2013 and Schedule H, Line 4a – Schedule of Delinquent Participant Contributions for the year ended December 31, 2013 are required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on these supplemental schedules.

**Report on Form and Content in Compliance with DOL Rules and Regulations**

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the Custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

**SQUAR, MILNER, PETERSON, MIRANDA & WILLIAMSON, LLP**



Newport Beach, California
October 13, 2014

# AMBRY GENETICS 401(k) PLAN
## STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
## December 31, 2013 and 2012

| | 2013 | 2012 |
|---|---|---|
| **ASSETS** | | |
| Investments, at fair value: | | |
| Mutual funds | $ 1,620,014 | $ 1,131,057 |
| Money market fund | 24,644 | 17,864 |
| Total investments | 1,644,658 | 1,148,921 |
| Receivables: | | |
| Employee contributions | 16,128 | 15,789 |
| Employer contributions | 20,417 | – |
| Total receivables | 36,545 | 15,789 |
| Total assets | 1,681,203 | 1,164,710 |
| **LIABILITIES** | | |
| Excess contributions payable to participants | – | 11,377 |
| **NET ASSETS AVAILABLE FOR BENEFITS** | $ 1,681,203 | $ 1,153,333 |


*See independent auditors' report and accompanying notes.*

# AMBRY GENETICS 401(k) PLAN
## STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
## For the Year Ended December 31, 2013

| | |
|---|---|
| **ADDITIONS** | |
| Investment income: | |
| Net appreciation in fair value of investments | $ 281,970 |
| Total investment income | 281,970 |
| Contributions: | |
| Employee | 332,105 |
| Employer | 20,417 |
| Rollovers | 86,559 |
| Total contributions | 439,081 |
| Total additions | 721,051 |
| **DEDUCTIONS** | |
| Benefits paid to participants | 193,181 |
| Total deductions | 193,181 |
| **NET INCREASE IN NET ASSETS AVAILABLE FOR BENEFITS** | 527,870 |
| **NET ASSETS AVAILABLE FOR BENEFITS – beginning of year** | 1,153,333 |
| **NET ASSETS AVAILABLE FOR BENEFITS – end of year** | $ 1,681,203 |

## 1. DESCRIPTION OF PLAN

The following description of the Ambry Genetics 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

### *General*

The Plan is a defined contribution plan which was originally established on January 1, 2006. The Plan was restated as of January 1, 2009 to comply with current law pursuant to Section 401(k) of the Internal Revenue Code ("IRC" or "Code") and is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

The Plan's day-to-day operations are administered by Ambry Genetics Corporation (the "Company" or "Plan Sponsor" or "Plan Administrator"). The accounting records are maintained by Benefit Equity, Inc., a record keeper and third party administrator (the "TPA"). Nationwide Trust Company, FSB is the Plan's Custodian (the "Custodian" or "Nationwide"). Overall responsibility for administering the Plan rests with the Plan's Administrator.

### *Eligibility*

All full time employees of the Company over age of 21 are eligible to participate in the Plan.

### *Participant Elective Deferral Contributions*

Each year, participants may contribute up to 100% of their pretax annual compensation, as defined in the Plan, and between 1% and 100% of compensation as an after-tax contribution, up to a maximum amount as allowed under the Code. The maximum contribution allowed for 2013 was $17,500. In addition, participants over the age 50 are allowed to defer an additional catch-up amount in excess of the maximum contribution. For the 2013 plan year, the maximum catch-up contribution was $5,500. Participants may also contribute amounts representing distributions from other qualified defined benefit and defined contribution plans (rollover).

### *Employer Contributions*

The Company may make discretionary matching contributions. During the plan year ended December 31, 2013, the Company made $20,346 of discretionary matching contributions, which are included in the employer contributions in the accompanying statement of changes in net assets available for benefits and in employer contributions receivable in the accompanying statement of net assets available for benefits. There were no discretionary matching contributions in 2012.

## 1. DESCRIPTION OF PLAN (continued)

### *Participant Accounts*

Each participant's account is credited with the participant's and Company's contributions and allocations of Plan earnings and administrative expenses. Allocations of Plan earnings are made according to participants' account balances, as defined. Participants direct the investment of their contributions and employer contributions into various investment options offered by the Plan. The benefit to which a participant is entitled is the benefit that can be provided from the participants vested account.

### *Vesting*

Participants are vested immediately in their contributions plus actual earnings thereon. The Company matching contributions are subject to a six year graded vesting schedule.

Upon a participant's death or permanent disability, the full amount of the Company's contributions become 100% vested.

### *Investment Options*

Upon enrollment in the Plan, participants direct the investment of their contributions into various investment options offered by the Plan. The Plan currently offers various mutual funds and a money market fund as investment options for participants. Participants may change their investment options or transfer funds based upon policies established by the Plan. Such policy currently allows participants to change their options at any time.

### *Payment of Benefits*

Upon termination of service due to death, disability, or retirement, in accordance with the Plan document, each participant is eligible to receive a distribution equal to the value of the participant's vested interest in his or her account. Participants may also elect to rollover their account to another tax deferred account or remain in the Plan until they are legally required to begin taking distributions. Participants who are current employees and over age 59.5 can elect to receive distributions.

### *Notes Receivable from Participants*

Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum of $10,000. The loan may not exceed 50 percent of the participant's vested account balance. Loan transactions are treated as a transfer between the respective investment fund and the loan fund. The loans are collateralized by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined by the Plan Administrator over a period not to exceed ten years. Principal and interest is paid ratably through semimonthly payroll deductions.

## 1. DESCRIPTION OF PLAN (continued)

### *Forfeited Accounts*

Forfeited nonvested amounts are used first to reduce future employer contributions, with any remaining amounts used to reduce the Plan's ordinary and necessary administrative expenses. During the years ended December 31, 2013 and 2012, there were no forfeitures.

### *Plan Termination*

Although it has not expressed any intent to do so, the Company has the right under the Plan to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### *Basis of Accounting*

The accompanying financial statements have been prepared using the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

### *Use of Estimates*

The preparation of financial statements and related schedules in conformity with GAAP requires management, the third party administrator, and the Custodian to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, disclosure of contingent assets and liabilities at the date of the financial statements, and reported amounts of additions to, and deductions from, net assets during the reporting period. Actual results could differ from those estimates.

### *Investment Valuation and Income Recognition*

The Plan's investments are stated at fair value. Shares of mutual funds and money market fund are valued at the net asset value of shares held by the Plan at year-end. Purchases and sales are recorded on a trade-date basis. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date.

The Plan's exposure to losses in the event of nonperformance of investments managed by the Custodian is limited to the carrying value of such instruments. The Plan's concentrations of risk are dictated by the Plan's provisions as well as those of ERISA and the participants' investment preference.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### *Risks and Uncertainties*

Investment securities are exposed to various risks such as interest rate, market, and credit. Due to the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in the various risk factors, in the near term, could materially affect participant's account balances and the amounts reported in the financial statements.

### *Notes Receivable from Participants*

Notes receivable from participants reflected in the accompanying statements of net assets available for benefits are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis.

A participant's loan is considered in default if any scheduled repayment remains unpaid as of the last business day of the calendar quarter following the calendar quarter in which the loan is initially considered past due. In such event, the entire principal and accrued interest are immediately due and payable, and are deemed distributions to participants. There were no notes receivable from participants as of December 31, 2013 and 2012.

### *Payment of Benefits*

Benefits are recorded when paid.

### *Administrative Expenses*

Certain administrative expenses are paid by the Company and, accordingly, are not reflected in the accompanying financial statements of the Plan. At the discretion of the Board of Directors of the Company, administrative expenses totaling approximately $5,300 were paid by the Company on behalf of the Plan for the year ended December 31, 2013. Certain transaction processing fees are charged to the participants and, therefore, are reflected in the accompanying statement of changes in net assets available for benefits as administrative expenses and qualify as party-in-interest transactions (Note 5). Investment related expenses are included in net appreciation of fair value of investments.

### *Subsequent Events*

The Plan evaluated subsequent events for their potential impact on the financial statements and disclosures through October 13, 2014, which is the date the financial statements were available to be issued, and noted no significant or reportable events that require a disclosure in the financial statements.

## 3. INFORMATION PREPARED AND CERTIFIED BY THE PLAN'S CUSTODIAN

The Plan Administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Accordingly, the Plan Administrator has obtained certifications from the Custodian certifying that the following information included in the accompanying financial statements and supplemental schedule is complete and accurate:

- Investments at fair value as reflected in the statement of net assets available for benefits as of December 31, 2013 and 2012.
- Investment income as reflected in the statement of changes in net assets available for the year ended December 31, 2013.
- Investments as reflected in Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2013.

Section 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA states, in part, that any statement of information prepared and certified by the Plan's Custodian need not be audited or reported on by an independent public accountant. Pursuant to that regulation, the Plan Administrator has instructed its independent public accountants, Squar, Milner, Peterson, Miranda and Williamson, LLP, not to perform any auditing procedures with respect to information certified by the Custodian.

## 4. INVESTMENTS

The following presents investments at December 31, 2013 and 2012 that represent 5% or more of the Plan's net assets.

| | 2013 | 2012 |
|---|---|---|
| American Funds Growth Fund of Amer R3 | $ 149,307 | $ 102,818 |
| BlackRock Global Allocation Inv A | $ 134,547 | $ 96,574 |
| ClearBridge Aggressive Growth A | $ 93,501 | $ 59,358 |
| Dreyfus Strategic Value A | $ 96,214 | $ 71,171 |
| Ivy Asset Strategy Y | $ 195,084 | $ 133,126 |
| Oppenheimer Developing Markets A | $ 150,061 | $ 156,085 |

## 5. PARTY-IN-INTEREST TRANSACTIONS

The Plan allows for transactions with certain parties who may perform services or have fiduciary responsibilities to the Plan. Certain Plan investments are a money market fund managed by the Custodian. Therefore, these transactions qualify as party-in-interest transactions. There were no fees paid by the Plan to Nationwide for investment management services for the year ended December 31, 2013.

## 6. TAX STATUS OF THE PLAN

The Plan has received a favorable determination letter, dated March 31, 2008, from the Internal Revenue Service ("IRS") indicating that the Plan is qualified under Section 401(a) of the IRC. Although the Plan has been amended since receiving the determination letter, the Plan Administrator believes that the Plan is designed and is currently in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2013, there are no uncertain positions taken or expected to be taken that would require recognition of the liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions and the Plan could be subject to income tax if certain issues were found by the IRS that could result in the disqualification of the Plan's tax-exempt status; however, there are currently no audits for any tax periods in progress.

## 7. FAIR VALUE MEASUREMENTS

The Plan adopted the provisions of FASB Accounting Standards Codification ("ASC") 820, *Fair Value Measurements and Disclosures*, or ASC 820, with respect to its investments. ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date.

ASC 820 establishes a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs.

**7. FAIR VALUE MEASUREMENTS** (continued)

The level in the fair value hierarchy is determined based on the lowest level input that is significant to the fair value measurement in its entirety. The three levels of inputs used to measure fair value are as follows:

*Level 1:* Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.

*Level 2:* Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

  If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

*Level 3:* Inputs to the valuation methodology are unobservable and supported by little or no market activity and are significant to the fair value measurement.

The following is a description of the valuation methodologies used for the investments measured at fair value, including the general classification of such instruments pursuant to the valuation hierarchy into the three levels of inputs.

***Mutual Funds***

Mutual funds are valued at quoted market prices in an exchange and active markets, which represent the net asset values of shares held by the Plan at year-end and are classified as Level 1 investments.

***Money Market Fund***

The money market fund is carried at fair value (which approximates cost), and is classified as a Level 1 investment.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

## 7. FAIR VALUE MEASUREMENTS (continued)

The following table represents financial assets that have been measured at fair value on a recurring basis. These assets are classified in accordance with the fair value hierarchy set forth in ASC 820:

### December 31, 2013:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Mutual funds: | | | | |
| Balanced | $ 360,183 | $ – | $ – | $ 360,183 |
| Bonds | 100,171 | – | – | 100,171 |
| International Stock | 102,442 | – | – | 102,442 |
| Large Cap | 439,049 | – | – | 439,049 |
| Mid Cap | 171,300 | – | – | 171,300 |
| Small Cap | 164,231 | – | – | 164,231 |
| Specialty | 282,638 | – | – | 282,638 |
| Total mutual funds | 1,620,014 | – | – | 1,620,014 |
| Money market fund | 24,644 | – | – | 24,644 |
| Total assets at fair value | $ 1,644,658 | $ – | $ – | $ 1,644,658 |

### December 31, 2012:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Mutual funds: | | | | |
| Balanced | $ 243,879 | $ – | $ – | $ 243,879 |
| Bonds | 57,717 | – | – | 57,717 |
| International Stock | 65,522 | – | – | 65,522 |
| Large Cap | 302,386 | – | – | 302,386 |
| Mid Cap | 102,483 | – | – | 102,483 |
| Small Cap | 86,744 | – | – | 86,744 |
| Specialty | 272,326 | – | – | 272,326 |
| Total mutual funds | 1,131,057 | – | – | 1,131,057 |
| Money market fund | 17,864 | – | – | 17,864 |
| Total assets at fair value | $ 1,148,921 | $ – | $ – | $ 1,148,921 |

During the years ended December 31, 2013 and 2012, there were no investment transfers between Level 1 and Level 2 or in or out of Level 3. There were no changes in methodologies used to determine fair value at December 31, 2013 and 2012.

## 8. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for Plan benefits per financial statements at December 31, 2013 and 2012 to Form 5500:

| | 2013 | 2012 |
|---|---|---|
| Net assets available for plan benefits per financial statements | $ 1,681,203 | $ 1,153,333 |
| Employee contributions receivable | (16,128) | (15,789) |
| Employer contributions receivable | (20,417) | – |
| Excess contributions payable | – | 11,377 |
| Net assets available for plan benefits per Form 5500 – Schedule H | $ 1,644,658 | $ 1,148,921 |

The following is a reconciliation of changes in net assets available for Plan benefits per financial statements for the year ended December 31, 2013 to Form 5500:

| | |
|---|---|
| Increase in net assets per financial statements | $ 527,870 |
| Employee contributions receivable – current year | (16,128) |
| Employer contributions receivable – current year | (20,417) |
| Employee contributions receivable – prior year | 15,789 |
| Excess contributions payable – prior year | (11,377) |
| Increase in net assets per Form 5500 Schedule H | $ 495,737 |

## 9. DELINQUENT PARTICIPANT CONTRIBUTIONS

During 2013, the Company retained certain employee deferral elections of $1,400, beyond the maximum limitations as defined by the Department of Labor Code of Federal Regulations Title 29, Chapter XXV, Part 2510.3-102. The withholdings were accounted for by the Company as unauthorized loans from the Plan that are subject to interest due to the Plan and tax penalties due to the IRS. The interest due on the late deposits of $71 is included in employer contribution receivable in the accompanying statements of net assets available for benefits. Management filed the applicable Form 5330 with the IRS. The Plan Sponsor believes there were no other nonexempt transactions during the year ended December 31, 2013.

# SUPPLEMENTAL SCHEDULES

# AMBRY GENETICS 401(k) PLAN
## SCHEDULE H, LINE 4i, SCHEDULE OF PLAN ASSETS
## (HELD AT END OF YEAR)
## December 31, 2013
## Employer I.D. 33-0892453
## Plan Number 001

| (a) | (b) Identity of Issue, Borrower or Similar Party | (c) Description of Investment including Maturity Date, Rate of Interest, Collateral, par or Maturity Value | (e) Current Value |
|---|---|---|---|
| | | **Money Market Fund:** | |
| * | Nationwide | Nw Mny Mkt Inst | $ 24,644 |
| | | **Mutual Funds:** | |
| | Aberdeen | Abrden Smcap A | 5,035 |
| | AllianceBernstein | Allber Hi Inc A | 24,542 |
| | American Funds | Amfds Am Bal R3 | 24,659 |
| | American Funds | Amfds Cap Wld Gr Inc R3 | 44,810 |
| | American Funds | Amfds Gr Fd Am R3 | 149,307 |
| | Baron Partners | Baron Ptnrs | 54,193 |
| | Baron Partners | Baron Smcap | 63,555 |
| | BlackRock | Blkrk Cor Bd Port Inv A | 5,868 |
| | BlackRock | Blkrk Glbl Alloc Inv A | 134,547 |
| | BlackRock | Blkrk Hlth Scnc Oppr Inv A | 50,915 |
| | ClearBridge | Leggm Clrbrdg Aggr Gr A | 93,501 |
| | Davis | Davis Oppr A | 28,524 |
| | Delaware | De Extnd Dur Bd A | 14,795 |
| | Dreyfus | Drey Strat Val A | 96,214 |
| | Goldman Sachs | Gdmnscs Mdcap Val A | 58,783 |
| | Heartland | Heartland Sel Val Inv | 32,485 |
| | Invesco | Invsco Eq Inc A | 5,894 |
| | Invesco | Invsco Realest A | 30,523 |
| | Ivy | Wr Ivy Asst Strat Y | 195,084 |
| | JPMorgan | Jpm Smcap Val A | 9,099 |
| | Legg Mason | Leggm Cap Mgt Oppr Tr Inst | 24,954 |
| | Legg Mason | Leggm Cap Mgt Val Inst | 885 |
| | Legg Mason | Leggm Capmgtspecinvmt Inst | 625 |
| | Loomis Sayles | Natixis Loomis Strat Inc A | 12,552 |
| | Neuberger | Neuber Lgcp Val Tr | 7,352 |
| | Oppenheimer | Opp Devl Mkt A | 150,061 |
| | Oppenheimer | Opp Glbl Oppr A | 57,633 |
| | Oppenheimer | Opp Gold Spec Mnrls A | 12,198 |
| | Oppenheimer | Opp Val A | 63,525 |
| | PIMCO | Pimco Ttl Rtn Inst | 42,414 |
| | Prudential Jennison | Prudntl Jnisn Natrl Rsrc A | 2,717 |
| | Prudential Jennison | Prudntl Jnisn Sm Co A | 21,836 |
| | RS Partners | Rs Ptnrs A | 56,710 |
| | Rydex | Rydexsgi Bio Adv | 26,475 |
| | Templeton | Fnklntmp Devl Mkt Tr A | 9,748 |
| | Wells Fargo | Wfa Sm Co Val A | 7,996 |
| | | Total investments at fair value | $ 1,644,658 |

* *A party-in-interest as defined by ERISA.*

# AMBRY GENETICS 401(k) PLAN
## SCHEDULE H, LINE 4a, SCHEDULE OF DELINQUENT PARTICIPANT CONTIRBUTIONS
## December 31, 2013
## Employer I.D. 33-0892453
## Plan Number 001

| Participant Contributions Transferred Late to Plan | Total that Constitute Nonexempt Prohibited Transactions | | | Total Fully Corrected Under VFCP and PTE 2002-51 |
|---|---|---|---|---|
| Check here if Late Participant Loan Repayments are included: ☐ | Contributions Not Corrected | Contributions Corrected Outside VFCP | Contributions Pending Correction in VFCP | |
| Year ended December 31, 2013 which consisted of one late deposit | $ – | $ 1,400 | $ – | $ – |

# AMBRY GENETICS 401(k) PLAN
## SCHEDULE H, LINE 4i, SCHEDULE OF PLAN ASSETS
## (HELD AT END OF YEAR)
## December 31, 2013
## Employer I.D. 33-0892453
## Plan Number 001

| (a) | (b) Identity of Issue, Borrower or Similar Party | (c) Description of Investment including Maturity Date, Rate of Interest, Collateral, par or Maturity Value | (e) Current Value |
|---|---|---|---|
| | | **Money Market Fund:** | |
| * | Nationwide | Nw Mny Mkt Inst | $ 24,644 |
| | | **Mutual Funds:** | |
| | Aberdeen | Abrden Smcap A | 5,035 |
| | AllianceBernstein | Allber Hi Inc A | 24,542 |
| | American Funds | Amfds Am Bal R3 | 24,659 |
| | American Funds | Amfds Cap Wld Gr Inc R3 | 44,810 |
| | American Funds | Amfds Gr Fd Am R3 | 149,307 |
| | Baron Partners | Baron Ptnrs | 54,193 |
| | Baron Partners | Baron Smcap | 63,555 |
| | BlackRock | Blkrk Cor Bd Port Inv A | 5,868 |
| | BlackRock | Blkrk Glbl Alloc Inv A | 134,547 |
| | BlackRock | Blkrk Hlth Scnc Oppr Inv A | 50,915 |
| | ClearBridge | Leggm Clrbrdg Aggr Gr A | 93,501 |
| | Davis | Davis Oppr A | 28,524 |
| | Delaware | De Extnd Dur Bd A | 14,795 |
| | Dreyfus | Drey Strat Val A | 96,214 |
| | Goldman Sachs | Gdmnscs Mdcap Val A | 58,783 |
| | Heartland | Heartland Sel Val Inv | 32,485 |
| | Invesco | Invsco Eq Inc A | 5,894 |
| | Invesco | Invsco Realest A | 30,523 |
| | Ivy | Wr Ivy Asst Strat Y | 195,084 |
| | JPMorgan | Jpm Smcap Val A | 9,099 |
| | Legg Mason | Leggm Cap Mgt Oppr Tr Inst | 24,954 |
| | Legg Mason | Leggm Cap Mgt Val Inst | 885 |
| | Legg Mason | Leggm Capmgtspecinvmt Inst | 625 |
| | Loomis Sayles | Natixis Loomis Strat Inc A | 12,552 |
| | Neuberger | Neuber Lgcp Val Tr | 7,352 |
| | Oppenheimer | Opp Devl Mkt A | 150,061 |
| | Oppenheimer | Opp Glbl Oppr A | 57,633 |
| | Oppenheimer | Opp Gold Spec Mnrls A | 12,198 |
| | Oppenheimer | Opp Val A | 63,525 |
| | PIMCO | Pimco Ttl Rtn Inst | 42,414 |
| | Prudential Jennison | Prudntl Jnisn Natrl Rsrc A | 2,717 |
| | Prudential Jennison | Prudntl Jnisn Sm Co A | 21,836 |
| | RS Partners | Rs Ptnrs A | 56,710 |
| | Rydex | Rydexsgi Bio Adv | 26,475 |
| | Templeton | Fnklntmp Devl Mkt Tr A | 9,748 |
| | Wells Fargo | Wfa Sm Co Val A | 7,996 |
| | | Total investments at fair value | $ 1,644,658 |

* *A party-in-interest as defined by ERISA.*

# AMBRY GENETICS 401(k) PLAN
## SCHEDULE H, LINE 4a, SCHEDULE OF DELINQUENT PARTICIPANT CONTIRBUTIONS
## December 31, 2013
## Employer I.D. 33-0892453
## Plan Number 001

| Participant Contributions Transferred Late to Plan | Total that Constitute Nonexempt Prohibited Transactions | | | Total Fully Corrected Under VFCP and PTE 2002-51 |
|---|---|---|---|---|
| Check here if Late Participant Loan Repayments are included: ☐ | Contributions Not Corrected | Contributions Corrected Outside VFCP | Contributions Pending Correction in VFCP | |
| Year ended December 31, 2013 which consisted of one late deposit | $ – | $ 1,400 | $ – | $ – |