

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
		2014
		This Form is Open to Public Inspection

Part I	Annual Report Identification Information
For calendar plan year 2014 or fiscal plan year beginning <u>01/01/2014</u> and ending <u>12/31/2014</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or ☒ 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:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information				
1a Name of plan <u>ILC INDUSTRIES 401(K) SAVINGS & INVESTMENT PLAN</u>	<table border="1"> <tr> <td>1b Three-digit plan number (PN) ▶</td> <td><u>001</u></td> </tr> <tr> <td>1c Effective date of plan <u>02/03/1982</u></td> <td></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>02/03/1982</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>02/03/1982</u>					
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>ILC HOLDINGS, INC.</u> <u>105 WILBUR PLACE</u> <u>BOHEMIA, NY 11716-2482</u>	<table border="1"> <tr> <td>2b Employer Identification Number (EIN) <u>51-0105260</u></td> </tr> <tr> <td>2c Plan Sponsor's telephone number <u>631-567-5600</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>334410</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>51-0105260</u>	2c Plan Sponsor's telephone number <u>631-567-5600</u>	2d Business code (see instructions) <u>334410</u>	
2b Employer Identification Number (EIN) <u>51-0105260</u>					
2c Plan Sponsor's telephone number <u>631-567-5600</u>					
2d Business code (see instructions) <u>334410</u>					

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	<u>Filed with authorized/valid electronic signature.</u>	<u>09/17/2015</u>	<u>WILLIAM RILEY</u>
	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	3b Administrator's EIN 3c Administrator's telephone number
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	5 442
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).	
a(1) Total number of active participants at the beginning of the plan year	6a(1) 337
a(2) Total number of active participants at the end of the plan year	6a(2) 349
b Retired or separated participants receiving benefits	6b 7
c Other retired or separated participants entitled to future benefits.....	6c 114
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 470
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	6e 1
f Total. Add lines 6d and 6e	6f 471
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g 463
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h 6
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: 2E 2F 2G 2J 2K 2T 3D 3H	
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) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ 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) ☒ 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) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

Part III**Form M-1 Compliance Information (to be completed by welfare benefit plans)**

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2014 Form M-1 annual report. If the plan was not required to file the 2014 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2014
		This Form is Open to Public Inspection.

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014		
A Name of plan ILC INDUSTRIES 401(K) SAVINGS & INVESTMENT PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 ILC HOLDINGS, INC.	D Employer Identification Number (EIN) 51-0105260	

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
SEI TRUST COMPANY

06-1271230

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation
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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

MASSMUTUAL RETIREMENT SERVICES, LLC

26-1589907

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 37 38 49 50 59 60 62 63 64 65 72 99	N/A	3348	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

(a) Enter name and EIN or address (see instructions)

RELiance TRUST COMPANY

58-1428634

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
19 99 25	N/A	0	Yes ☒ No ☐	Yes ☐ No ☒	282	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

UBS FINANCIAL SERVICES INC

13-2638166

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
55	N/A	0	Yes ☒ No ☐	Yes ☐ No ☒	124950	Yes ☐ No ☒

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

MESIROW FINANCIAL INVESTMENT MANAGE

36-3429599

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27	N/A	0	Yes ☒ No ☐	Yes ☐ No ☒	0	Yes ☒ No ☐

(a) Enter name and EIN or address (see instructions)

MORNINGSTAR ASSOCIATES, LLC

36-4317381

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
49	N/A	0	Yes ☒ No ☐	Yes ☐ No ☒	16	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
MASSMUTUAL RETIREMENT SERVICES, LLC	52 59 60 62 63	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
SEE ATTACHED SCHEDULE C REPORT	SEE ATTACHED FORM 5500 SCHEDULE C REPORT	
26-1589907		
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
RELIANCE TRUST COMPANY	19 99 25	282
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
MASSMUTUAL RETIREMENT SERVICES, LLC	SEE ATTACHED FORM 5500 SCHEDULE C REPORT	
26-1589907		
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
UBS FINANCIAL SERVICES INC	55	124950
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
MML DISTRIBUTORS, LLC	SEE ATTACHED FORM 5500 SCHEDULE C REPORT	
04-3356880		

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
MESIROW FINANCIAL INVESTMENT MANAGE	27	0

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
MASSACHUSETTS MUTUAL LIFE INSURANCE 04-1590850	SEE ATTACHED FORM 5500 SCHEDULE C REPORT

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
MORNINGSTAR ASSOCIATES, LLC	49	16

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
MASSACHUSETTS MUTUAL LIFE INSURANCE 04-1590850	SEE ATTACHED FORM 5500 SCHEDULE C REPORT

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2014 This Form is Open to Public Inspection.
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For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

A Name of plan ILC INDUSTRIES 401(K) SAVINGS & INVESTMENT PLAN	B Three-digit plan number (PN) ▶	001
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 ILC HOLDINGS, INC.	D Employer Identification Number (EIN) 51-0105260	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: FIXED FUND

b Name of sponsor of entity listed in (a): SEI TRUST COMPANY

c EIN-PN 23-2852249-002	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
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a Name of MTIA, CCT, PSA, or 103-12 IE: CAPITAL PRESERVATION FUND

b Name of sponsor of entity listed in (a): FEDERATED INVESTORS TRUST COMPANY

c EIN-PN 22-2712853-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 9789626
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

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 2014 This Form is Open to Public Inspection
For calendar plan year 2014 or fiscal plan year beginning <u>01/01/2014</u> and ending <u>12/31/2014</u>		
A Name of plan <u>ILC INDUSTRIES 401(K) SAVINGS & INVESTMENT PLAN</u>		B Three-digit plan number (PN) ► <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ILC HOLDINGS, INC.</u>		D Employer Identification Number (EIN) <u>51-0105260</u>

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
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	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)		
	(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)	1259365	1211756
	(9) Value of interest in common/collective trusts	1c(9)	10565814	9789626
	(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)	47948944	48432920
	(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
	(15) Other.....	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(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	59774123	59434302

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 through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	59774123	59434302
---	-----------	----------	----------

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)	511368	
(B) Participants	2a(1)(B)	2175439	
(C) Others (including rollovers)	2a(1)(C)	234478	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		2921285
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)	39483	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		39483
(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)	2633324	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		2633324
(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)		55763
(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)		275914
c Other income.....	2c		5322
d Total income. Add all income amounts in column (b) and enter total.....	2d		5931091

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	6261581	
(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)		6261581
f Corrective distributions (see instructions).....	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		5983
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)		
(2) Contract administrator fees.....	2i(2)	3348	
(3) Investment advisory and management fees.....	2i(3)		
(4) Other.....	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		3348
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		6270912

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		-339821
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) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☒ Yes ☐ No

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

(1) Name: ALBRECHT, VIGGIANO, ZURECK & CO

(2) EIN: 11-2556624

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:

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.).....

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.).....

	Yes	No	Amount
4a		X	
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.)		X	
4c			
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.).....		X	
4d			
e Was this plan covered by a fidelity bond?	X		1000000
4e			
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f			
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?.....		X	
4g			
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?.....		X	
4h			
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i			
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.)		X	
4j			
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
4k			
l Has the plan failed to provide any benefit when due under the plan?.....		X	
4l			
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
4m			
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			

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 2014 This Form is Open to Public Inspection.
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For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

A Name of plan <u>ILC INDUSTRIES 401(K) SAVINGS & INVESTMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ILC HOLDINGS, INC.</u>	D Employer Identification Number (EIN) <u>51-0105260</u>

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
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): <u>04-1590850</u>	
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 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: _____% 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): _____

**ILC INDUSTRIES
401(K) SAVINGS AND INVESTMENT PLAN**

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL INFORMATION**

Years Ended December 31, 2014 and 2013

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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Plan Administrator of
ILC Industries 401(K) Savings and Investment Plan
Bohemia, New York

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of ILC Industries 401(K) Savings and Investment Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2014 and 2013, and the related statements of changes in net assets available for benefits for the years then ended, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits 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 Notes 3, 4 and 5, which was certified by Reliance Trust Company, the Trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan administrator that the Trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained certifications from the Trustee as of December 31, 2014 and 2013 and for the years then ended, that the information provided to the Plan administrator by the Trustee is complete and accurate.

PERSONAL SERVICE. TRUSTED ADVICE.

ALBRECHT, VIGGIANO, ZURECK & COMPANY, P.C.

245 PARK AVENUE, 39TH FLOOR
NEW YORK, NY 10167
T: 212.792.4075

25 SUFFOLK COURT
HAUPPAUGE, NY 11788-3715
T: 631.434.9500 F: 631.434.9518

www.avz.com
INDEPENDENT MEMBER OF BKR INTERNATIONAL

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

The supplemental Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year) as of December 31, 2014 is 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 is presented for the purpose of additional analysis and is 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 this supplemental schedule.

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 schedule, other than that derived from the information certified by the Trustee, 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.

Albrecht, Viggiano, Zuck & Camp, P.C.

Hauppauge, New York
August 24, 2015

ILC INDUSTRIES
401(K) SAVINGS AND INVESTMENT PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Assets:		
Investments at fair value	\$ 58,254,270	\$ 58,514,758
Notes receivable from participants	<u>1,211,756</u>	<u>1,259,365</u>
Net Assets Reflecting Investments at Fair Value	59,466,026	59,774,123
Adjustment from fair value to contract value for the fully benefit-responsive collective investment fund	<u>(31,724)</u>	<u>-0-</u>
Net Assets Available for Benefits	<u><u>\$ 59,434,302</u></u>	<u><u>\$ 59,774,123</u></u>

See accompanying notes to the financial statements.

ILC INDUSTRIES
401(K) SAVINGS AND INVESTMENT PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
Years Ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Additions:		
Investment income:		
Net appreciation in fair value of investments	\$ 275,799	\$ 6,164,321
Dividends	2,689,202	1,542,920
Other income	5,322	-0-
	<u>2,970,323</u>	<u>7,707,241</u>
Interest income on notes receivable from participants	<u>39,483</u>	<u>43,940</u>
Contributions:		
Participants	2,175,439	2,015,118
Employer	511,368	52,509
Rollovers	234,478	90,876
	<u>2,921,285</u>	<u>2,158,503</u>
Total Additions	<u>5,931,091</u>	<u>9,909,684</u>
Deductions:		
Benefits paid to participants	6,267,564	4,696,396
Administrative expenses	3,348	3,838
Total Deductions	<u>6,270,912</u>	<u>4,700,234</u>
Net (Decrease) Increase	(339,821)	5,209,450
Net Assets Available for Benefits:		
Beginning of Year	<u>59,774,123</u>	<u>54,564,673</u>
End of Year	<u>\$ 59,434,302</u>	<u>\$ 59,774,123</u>

See accompanying notes to the financial statements.

ILC INDUSTRIES
401(K) SAVINGS AND INVESTMENT PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2014 and 2013

Note 1 – Description of Plan

The following description of the ILC Industries 401(K) Savings and Investment Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering substantially all employees of ILC Holdings, Inc. (the "Company") and its domestic subsidiaries after completing two months of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended. The Board of Directors is responsible for oversight of the Plan. The Plan's Executive Committee determines the appropriateness of the Plan's investment offerings, monitors investment performance.

Contributions

Each year, participants may contribute up to 25%, of annual eligible compensation, as defined in the Plan. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified plans (rollover). Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan includes an auto-enrollment provision whereby all newly eligible employees are automatically enrolled in the Plan unless they affirmatively elect not to participate in the Plan. Automatically enrolled participants have their deferral rate set at 3% of eligible compensation with automatic annual increases of 1% up to 6% and their contributions invested in a designated conservative allocation fund until changed by the participant. The Plan currently offers various mutual funds and an investment contract as investment options for participants. The Company may make matching contributions equal to a discretionary percentage of the participant's elective deferrals. Company contributions are invested in a portfolio of investments as directed by participants. Contributions are subject to certain IRS limitations.

Participant Accounts

Each participant's account is credited with the participant's contributions and Company matching contributions, as well as an allocation of Plan earnings. Participant accounts are also charged with an allocation of administrative expenses that are paid by the Plan (see administrative expenses note on page 8). Allocations are based on participant earnings, account balances, or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

ILC INDUSTRIES
401(K) SAVINGS AND INVESTMENT PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2014 and 2013

Note 1 – Description of Plan (continued)

Vesting

Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company's contribution portion of their accounts is based on years of continuous service. A participant is 100 percent vested after two years of credited service, as defined in the Plan.

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. The notes are secured by the balance in the participant's account. The loan interest rate, determined quarterly, is set at a rate that is commensurate with local prevailing rates. Principal and interest is paid ratably through payroll deductions.

Payment of Benefits

On termination of service due to death, disability, retirement, or for other reasons, a participant may elect to receive a lump-sum amount equal to the value of the vested interest in their account. Partial withdrawals or installments are only permitted for age 59½ in-service distributions, hardship distributions and required minimum distributions.

Forfeited Accounts

At December 31, 2014 and 2013, forfeited nonvested accounts totaled approximately \$4,300 and \$6,500, respectively. These accounts will be used to reduce future Company contributions. Company contributions were reduced by approximately \$22,000 and \$13,000 from forfeited nonvested accounts in 2014 and 2013, respectively.

Note 2 – Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting.

Investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan.

ILC INDUSTRIES
401(K) SAVINGS AND INVESTMENT PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2014 and 2013

Note 2 – Summary of Significant Accounting Policies (continued)

Basis of Accounting (continued)

The Statements of Net Assets Available for Benefits at December 31, 2014 presents the fair value of the investment contract as well as the adjustment of the fully benefit-responsive investment contract from fair value to contract value. The Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2014 is prepared on a contract value basis for fully benefit-responsive investment contracts. The Plan did not hold any fully benefit-responsive investment contracts at December 31, 2013, therefore, the Statements of Net Assets Available for Benefits at December 31, 2013 and the Statement of Changes in Net Assets Available for Benefits for the year then ended is prepared on a fair value basis.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2014 and 2013.

Payment of Benefits

Benefits are recorded when paid.

ILC INDUSTRIES
401(K) SAVINGS AND INVESTMENT PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2014 and 2013

Note 2 – Summary of Significant Accounting Policies (continued)

Administrative Expenses

Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net appreciation of fair value of investments.

Subsequent Events

Plan management has evaluated subsequent events through the date of the report, which is the date the financial statements were available to be issued.

Note 3 – Investments

The following presents investments that represent 5% or more of the Plan's net assets as of December 31:

	2014	2013
Fixed Fund	\$ -0-*	\$ 10,565,814
Capital Preservation Fund	9,821,350	-0-*
MFS Total Return Fund A	6,020,696	5,943,154
MFS Global Growth Fund	2,922,184	3,155,379
MFS Investors Growth Stock Fund	4,123,804	3,457,291
MFS Bond Fund A	4,595,775	5,726,154
MFS Conservative Allocation Fund A	5,559,111	4,855,745
MFS Moderate Allocation Fund A	3,931,979	4,006,312
MFS Growth Allocation Fund A	4,777,516	4,904,005
Allianz Small-Cap Value Fund A	4,142,161	4,634,982
Spartan U.S. Equity Index Fund	4,803,814	3,771,442

*Does not represent 5% or more of the Plan's net assets available for benefits in each investment for the respective year.

During 2014 and 2013, the Plan's investments (including gains and losses on investments bought and sold, and held during the year) appreciated in value by approximately \$276,000 and \$6,164,000 respectively, which consists solely of mutual funds.

ILC INDUSTRIES
401(K) SAVINGS AND INVESTMENT PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2014 and 2013

Note 4 – Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described 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 significant to the fair value measurement

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2014 and 2013.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

ILC INDUSTRIES
401(K) SAVINGS AND INVESTMENT PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2014 and 2013

Note 4 – Fair Value Measurements (continued)

Collective investment fund: Valued at the NAV of the underlying units of the fund. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV. Participant transactions (purchased and sales) may occur daily. Were the Plan to initiate a full redemption of the collective fund, the investment adviser reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2014 and 2013. There were no level 3 assets as of December 31, 2014 and 2013.

<u>Assets at Fair Value at December 31, 2014</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Mutual funds:			
Index funds	\$ 4,803,814	\$ -0-	\$ 4,803,814
Balanced funds	6,020,696	-0-	6,020,696
Growth funds	8,221,312	-0-	8,221,312
Value funds	6,922,935	-0-	6,922,935
Bond funds	4,595,775	-0-	4,595,775
Allocation funds	16,802,215	-0-	16,802,215
Other funds	<u>1,066,173</u>	<u>-0-</u>	<u>1,066,173</u>
Total mutual funds	48,432,920	-0-	48,432,920
Collective investment fund (Note 5)	<u>-0-</u>	<u>9,821,350</u>	<u>9,821,350</u>
Total assets at fair value	<u>\$ 48,432,920</u>	<u>\$ 9,821,350</u>	<u>\$ 58,254,270</u>
<u>Assets at Fair Value at December 31, 2013</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Mutual funds:			
Index funds	\$ 3,771,442	\$ -0-	\$ 3,771,442
Growth funds	7,588,304	-0-	7,588,304
Value funds	7,370,528	-0-	7,370,528
Bond funds	5,726,154	-0-	5,726,154
Allocation funds	22,332,344	-0-	22,332,344
Other funds	<u>1,160,172</u>	<u>-0-</u>	<u>1,160,172</u>
Total mutual funds	47,948,944	-0-	47,948,944
Collective investment fund (Note 5)	<u>10,565,814</u>	<u>-0-</u>	<u>10,565,814</u>
Total assets at fair value	<u>\$ 58,514,758</u>	<u>\$ -0-</u>	<u>\$ 58,514,758</u>

ILC INDUSTRIES
401(K) SAVINGS AND INVESTMENT PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2014 and 2013

Note 5 – Collective Investment Fund

As of and for the year ended December 31, 2014, the Plan has a fully benefit-responsive collective investment fund, the Capital Preservation Fund (the “Fund”). The Fund is operated by Federated Investors Trust Company, a wholly owned subsidiary of Federated Investors, Inc. The Fund holds guaranteed investment contracts (traditional “GICs”), separate account guaranteed investment contracts (separate account GICs) and synthetic guaranteed investment contracts (synthetic GICs).

The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. Each of the separate account GICs and synthetic GICs has a wrap contract that provides a minimum guaranteed rate of return for the term of the contracts. The guaranteed investment contract issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan.

Because the Fund holds investment contracts that are fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the investment contracts in the collective investment fund. The collective investment fund is presented on the face of the Statements of Net Assets Available for Benefits at fair value with an adjustment to contract value in arriving at net assets available for benefits. Contract value represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

At December 31, 2013, the Plan had a collective investment fund, the Fixed Fund, operated by SEI Trust Company (“SEI”). Prior to December 9, 2013, investments held by the Fixed Fund consisted of a variety of fully benefit-responsive investment contracts such as guaranteed investment contracts issued by insurance companies and other financial institutions and other investment products (synthetic GICs and collective investment trusts) with similar characteristics. SEI maintained the contributions in a general account under a common collective trust (the “Trust”). On December 9, 2013, the Board of Directors of SEI, as Trustee, authorized the termination of the Trust and prior to that date, all of the Trust’s securities were liquidated and the proceeds thereof were invested into money market investments held by the Trust. As such, at December 31, 2013, the Plan did not hold any fully benefit-responsive investment contracts, and accordingly, the Statement of Net Assets Available for Benefits at December 31, 2013 and the Statement of Changes in Net Assets Available for Benefits for the year then ended is prepared on a fair value basis.

There are no reserves against contract value for credit risk of the contract issuer or otherwise. The fair value of the collective investment fund at December 31, 2014 and 2013 was approximately \$9,821,000 and 10,566,000, respectively. The crediting interest rate is based on a formula agreed upon with the issuer of each guaranteed investment contract held by Fund, but it may not be less than 0%. Such interest rates are reviewed on a monthly or quarterly basis for resetting, according to each GIC.

ILC INDUSTRIES
401(K) SAVINGS AND INVESTMENT PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2014 and 2013

Note 5 – Collective Investment Fund (continued)

Certain events limited the Plan's ability to transact at contract value with the issuer. Such events include, but are not limited to, the following: mergers, mass layoffs, plan terminations, implementation of early retirement incentive programs or other events within the control of the Fund or the Plan Sponsor resulting in a material and adverse financial impact on the issuer's obligations under the GIC. The Plan administrator does not believe that any events that would limit the Plan's ability to transact at contract value with Plan participants are probable of occurring.

The guaranteed investment contracts which the Fund has entered into limit the circumstances under which the issuer may terminate the agreement prior to the scheduled maturity date.

The average yields earned by the guaranteed investment contracts held by the Fund at December 31, 2014 are as follows:

Average yields:

Based on annualized earnings	1.10%
Based on interest rate credited to participants	1.14%

Note 6 – Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100 percent vested in their Company contributions.

Note 7 – Tax Status

The Plan is structured and follows a prototype non-standardized cash or deferred profit sharing plan, pre-approved by the Internal Revenue Service (IRS). The IRS issued an opinion letter dated March 31, 2008, that the prototype non-standardized profit sharing plan is acceptable under the applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the opinion letter, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and, therefore, believes that the Plan is qualified and related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the applicable taxing authority. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2011.

ILC INDUSTRIES
401(K) SAVINGS AND INVESTMENT PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2014 and 2013

Note 8 – Certification

Other than the fair value of the collective investment fund and the related adjustment from fair value to contract value for fully benefit-responsive investment contracts, certain information related to investments and notes receivable from participants disclosed in the accompanying financial statements and supplemental schedule, including investments and notes receivable from participants held at December 31, 2014 and 2013, and net appreciation in fair value of investments, interest and dividends for the years then ended, was obtained or derived from information supplied to the plan administrator and certified as complete and accurate by Reliance Trust Company (the Trustee of the Plan). The contract value of the collective investment fund was certified by the Trustee.

Note 9 – Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the Statements of Net Assets Available for Benefits.

SUPPLEMENTAL INFORMATION

ILC INDUSTRIES
401(K) SAVINGS AND INVESTMENT PLAN
EMPLOYER IDENTIFICATION NUMBER 51-0105260
PLAN NUMBER 001
SCHEDULE H, LINE 4(i) - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
December 31, 2014

(a)	(b) Identity of issuer, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
	Capital Preservation Fund	Collective Investment Fund	N/A	\$ 9,821,350
	MFS Total Return Fund A	Registered Investment Company Mutual Fund	N/A	6,020,696
	MFS Global Growth Fund A	Registered Investment Company Mutual Fund	N/A	2,922,184
	MFS Bond Fund A	Registered Investment Company Mutual Fund	N/A	4,595,775
	MFS Investors Growth Stock Fund A	Registered Investment Company Mutual Fund	N/A	4,123,804
	MFS Conservative Allocation Fund A	Registered Investment Company Mutual Fund	N/A	5,559,111
	MFS Moderate Allocation Fund A	Registered Investment Company Mutual Fund	N/A	3,931,979
	MFS Growth Allocation Fund A	Registered Investment Company Mutual Fund	N/A	4,777,516
	MFS Aggressive Allocation Fund A	Registered Investment Company Mutual Fund	N/A	2,533,609
	Allianz Small-Cap Value Fund A	Registered Investment Company Mutual Fund	N/A	4,142,161
	Alliance Bernstein Growth and Income Fund A	Registered Investment Company Mutual Fund	N/A	2,780,774
	Spartan US Equity Index Fund	Registered Investment Company Mutual Fund	N/A	4,803,814
	Ivy International Core Equity A	Registered Investment Company Mutual Fund	N/A	1,066,173
	Wells Fargo Advantage Common Stock A	Registered Investment Company Mutual Fund	N/A	1,175,324
*	Notes receivable from participants	Interest rates at 3.00% to 7.41%	-0-	1,211,756
				<u>\$ 59,466,026</u>

Fee and Compensation Disclosure Report

This document is intended to assist a plan administrator (“you”) in completing the Form 5500 Schedule C¹ by identifying different types of compensation paid with respect to the product utilized by your plan.

As permitted under the Schedule C rules, compensation is disclosed in the attached report as an actual dollar amount, an estimate or a formula or rate.

- Where an actual dollar amount of compensation is disclosed, no further notation regarding compensation calculations is generally provided.
- Where an estimate of the compensation amount is disclosed, we have used a reasonable method to arrive at the estimate and we have described the method used to arrive at the estimated amount.
- Where a formula or rate is provided to report compensation, we have used a reasonable method to arrive at the estimate and we have described the method used to arrive at the estimated amount. This formula or rate may be disclosed to describe the compensation to which it applies under the Schedule C rules. Alternatively, for purposes of Schedule C disclosure or in connection with your fiduciary review of the compensation paid with respect to the services, products and investment options utilized by the plan, you may calculate and disclose an actual or estimated dollar amount by multiplying the rate by the total assets to which it applies.

Please note that, unless otherwise indicated in the descriptions contained in this report, direct compensation is presented on a plan year basis 01/01/2014 - 12/31/2014 and indirect compensation is presented on a calendar year basis ending 12/31/2014.

This report includes compensation actually paid to or by MassMutual within the indicated plan year as part of your MassMutual-serviced product. *(Note: If the plan year period or plan year end indicated in this Schedule C reporting package is incorrect, please notify your MassMutual customer service representative immediately).* This report does not include amounts deducted from plan assets and paid to third parties (other than MassMutual). In addition, the report does not include compensation related to investments held by the plan that are not serviced on our recordkeeping system. You should contact your other service providers for reportable compensation information. You may also receive information on the compensation reported here from other service providers as is described below.

Please note that we have provided suggested service codes with respect to services provided through our product. Please review all Schedule C and other Form 5500 materials with your experienced benefits counsel and other professionals to determine the most appropriate codes for your plan. In addition, please note that because plans with fewer than 100 participants (as of the beginning of the plan year) are generally not required to file Schedule C, you should refer to the instructions provided by the IRS for Schedule C and/or review the applicability of Schedule C to your plan with your experienced tax/benefits counsel, to determine whether it is necessary for the plan to report the information contemplated by this report.

Please contact your MassMutual Service Team should you require additional information regarding the compensation paid to or by MassMutual with respect to your plan.

Information provided in this document and related materials we provide are not intended to be and shall not be deemed tax advice, tax form preparation services, legal advice, advice to plans regarding compliance with ERISA reporting compliance, or accounting or other professional services. As described above, the information contained in this report may not cover all of the compensation received by the plan’s service providers. We strongly encourage you to review all Schedule C and other Form 5500 materials with experienced benefits counsel and other professionals.

¹Please refer to the Schedule C of the Form 5500 and its instructions (available at: <http://www.dol.gov/ebsa/5500main.html>), and please confer with experienced benefits counsel and other professionals, to determine the applicability of Schedule C to your plan.

FORM 5500 SCHEDULE C REPORT
SCHEDULE C, LINE 2(h) AND LINE 3(e) FORMULA DESCRIPTION

ILC INDUSTRIES 401K SAV & INV PLAN (990500053)

EIN #: 51-0105260

Please note that, unless otherwise indicated in the descriptions contained in this report, direct compensation is presented on a plan year basis 01/01/2014 - 12/31/2014 and indirect compensation is presented on a calendar year basis ending 12/31/2014.

For use with lines 2(h), 3(c), 3(d), 3(e)

Total Direct Compensation Paid **\$3,347.50**

The total amount identified above reflects all fees deducted from plan assets at the plan administrator's direction for the plan year. Service providers which have received portions of these direct fees are listed below, along with the amount of fees they received. Please note that if there is a discrepancy between the total direct fees reported above and the sum of the direct fees reported below, you should contact your other service providers or your plan records to identify the recipient(s) of the fees and any other information relevant to your Schedule C filing.

Recipient: MassMutual Retirement Services, LLC EIN: 26-1589907

Service Codes: 15, 37, 38, 49, 59, 60, 62, 63, 64, 65, 72, 99, 50 (if direct compensation amount reflected below)

Direct Compensation **\$3,347.50**

The total amount identified above reflects fees deducted from plan assets at the plan administrator's direction for the 2014 plan year for the above named recipient. Please review other service providers, below, to determine whether direct fees were also paid to them. Also, please review your records to determine whether other service providers may have received any compensation not reported below (e.g., a reimbursement paid to any plan fiduciary, your employee benefits counsel, or a plan auditor).

Note: Due to system accounting protocols (including 'cash basis' accounting), amounts reported as Direct Compensation and amounts reported as paid to MassMutual Retirement Services, LLC ("MMRS") are the net result of aggregating direct compensation after the effects of adjustments processed in 2014, some of which may have pertained to prior years.

Please review the detailed breakdown at the end of the report for further information.

Indirect Compensation

Float compensation	Payor: Reliance Trust Company	EIN: 58-1428634	\$126.98
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This is an estimate based on the average annual rate of float compensation (0.06% for 2014) earned on certain processing bank accounts for the 2014 calendar year multiplied by an estimate of the assets related to uncashed checks.* This estimate does not include float earned for any other reason (e.g., if amounts remitted to MassMutual cannot be immediately invested because they are not in good order). Please review or request a copy of the current float disclosure for more information about the other circumstances in which float is earned.

* A complete listing of distribution checks that remain outstanding for your plan is available on the Retirement Plan Access web site under the Standard Reports section (Report R03998-Outstanding Distribution Checks). Uncashed check assets will continue to remain in a float-earning bank account until such time direction is received from the Plan Sponsor, subject to applicable regulation. The Plan Sponsor should consult with the Plan's/Plan Sponsor's tax advisor or benefits counsel to determine if assets attributable to uncashed checks should be included on the Form 5500 filing.

Non Monetary Compensation

Please note that items of nonmonetary compensation need to be reported for Schedule A or C (Form 5500) purposes if they exceed certain *de minimus* amounts. Transactions generating nonmonetary compensation may include gifts, gratuities, or certain types of in-kind benefits. MassMutual's Code of Conduct generally restricts MassMutual employees from giving to or receiving gifts from customers and/or business partners having a value of over \$100, in any individual situation, without prior approval. However, it is possible that one or more of your service providers for the calendar year, including MassMutual, engaged in transactions generating nonmonetary compensation. Information concerning reportable transactions undertaken between or among non-MassMutual parties may not be available to MassMutual.

Please consult with your legal or tax advisors if you have any questions.

Compensation paid with respect to Funds

<i>Investment Option Name</i>	<i>EIN</i>	<i>Rate of Fees and Payments Received By MassMutual with Respect to the Fund (rates as of 12/31/2014)</i>	<i>Total Fund Annual Operating Expenses (Fund Expense Ratio) (as of 12/31/2014)</i>
AB GROWTH & INCOME A	13-4071393	0.55% x assets	1.08%
ALLIANZGI NFJ SMALL CAP VALUE-A	06-1349805	0.45% x assets	1.21%
FEDERATED CAP PRESERVATION ISP	25-1111467	0.30% x assets	0.69%
FIDELITY SPARTAN 500 INDEX-INV	04-3365630	0.00% x assets	0.10%
FIXED FUND-INSTITUTIONAL	23-2177800	0.00% x assets	0.99%
IVY INT'L CORE EQ-A	04-6006759	0.50% x assets	1.40%
MASS INVESTORS GROWTH STK FUND-A	04-1885327	0.63% x assets	0.75%
MFS AGGRESSIVE GROWTH ALLOC FD-A	04-3158862	0.63% x assets	1.16%
MFS BOND FUND-A	04-2535629	0.63% x assets	0.82%
MFS CONSERVATIVE ALLOCATION FD-A	04-3158862	0.63% x assets	0.95%
MFS GLOBAL GROWTH FUND-A	04-3158862	0.63% x assets	1.49%
MFS GROWTH ALLOCATION FUND-A	04-3158862	0.63% x assets	1.07%
MFS MODERATE ALLOCATION FD-A	04-3158862	0.63% x assets	1.01%
MFS TOTAL RETURN FUND-A	04-2468583	0.63% x assets	0.75%
WELLS FARGO ADV COMMON STOCK-A	41-0449260	0.55% x assets	1.32%

The list includes any investment option held by the plan on at least one month end during the 2014 calendar year. To arrive at an estimate of the dollar amount that MassMutual received from each fund, multiply the rate of fees received from each fund by your plan's year-end balance (or if the fund was liquidated prior to year end, the balance on the liquidation date) and, if applicable, the per participant fee by the number of participants in the fund at year end (or the liquidation date if earlier). This will be an estimate because your plan's balance and number of participants will vary over the course of the year, so the year-end balance and number of participants may be higher or lower than the daily balance. In addition, these fees are calculated on a daily basis.

Recipient: UBS FINANCIAL SERVICES INC EIN: 13-2638166**Service Codes:**

Please contact your Service Provider for the list of applicable services performed and Service Codes.

Direct Compensation**\$0.00**

Our records indicate that this recipient did not receive any Direct Compensation. Please review your records to determine whether this service provider may have received any compensation not reported.

Indirect Compensation

* **Sales commission** Payor: MML Distributors, LLC EIN: 04-3356880 **\$124,949.65**

* *Sales Commissions are reported on a Plan Year basis.*

Non Monetary Compensation

Please note that items of nonmonetary compensation need to be reported for Schedule A or C (Form 5500) purposes if they exceed certain *de minimus* amounts. Transactions generating nonmonetary compensation may include gifts, gratuities, or certain types of in-kind benefits. MassMutual's Code of Ethics and Business Conduct generally restricts MassMutual employees from giving to or receiving gifts from customers and/or business partners having a value of over \$100, in any individual situation, without prior approval. However, it is possible that one or more of your service providers for the 2014 calendar year, including MassMutual, engaged in transactions generating nonmonetary compensation. Information concerning reportable transactions undertaken between or among non-MassMutual parties may not be available to MassMutual.

Please consult with your legal or tax advisors if you have any questions.

Recipient: Morningstar Associates, LLC EIN: 36-4317381**Service Code: 49****Indirect Compensation**

"Managed by You" services fee Payor: Massachusetts Mutual Life Insurance Company EIN: 04-1590850 **\$16.36**

This is an estimate determined by dividing a flat annual fee paid to Morningstar by the number of plans to whom this feature is made available.

Recipient: Reliance Trust Company EIN: 58-1428634**Indirect Compensation**

Trust Service Fee (if Reliance Trust Company is acting as directed trustee) **\$150.00**
Service Codes: 25, 99

Payors: Massachusetts Mutual Life Insurance Company EIN: 04-1590850
 MassMutual Retirement Services, LLC EIN: 26-1589907

Custodial Fee **\$131.79**
Service Codes: 19, 25, 99

Payors: Massachusetts Mutual Life Insurance Company EIN: 04-1590850
 MassMutual Retirement Services, LLC EIN: 26-1589907

This is an estimate determined by dividing a flat annual fee paid to Reliance Trust Company by the number of plans to whom this feature is made available.

Recipient: Mesirow Financial Investment Management, Inc. EIN: 36-3429599

Indirect Compensation

Annual fee and basis point fee for Mesirow plan fiduciary service

Service code: 27

Payor: Massachusetts Mutual Life Insurance Company EIN: 04-1590850

MassMutual paid Mesirow an annual flat fee plus a tiered percentage of assets in total equal to 1.445 bps of the aggregate assets of all participating plans in the Fiduciary Assure Program with respect to Mesirow's investment advisory services.

Direct Revenue Detail

Recipient: *MassMutual Retirement Services, LLC*

<u>Fee Description</u>	<u>Dollar Amount</u>
Loan Set-up Fee	\$1,450.00
Loan Administration Fee	\$1,897.50
Total Direct Revenue:	\$3,347.50
Grand Total Direct Fees:	\$3,347.50

ILC INDUSTRIES
401(K) SAVINGS AND INVESTMENT PLAN
EMPLOYER IDENTIFICATION NUMBER 51-0105260
PLAN NUMBER 001
SCHEDULE H, LINE 4(i) - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
December 31, 2014

(a)	(b) Identity of issuer, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
	Capital Preservation Fund	Collective Investment Fund	N/A	\$ 9,821,350
	MFS Total Return Fund A	Registered Investment Company Mutual Fund	N/A	6,020,696
	MFS Global Growth Fund A	Registered Investment Company Mutual Fund	N/A	2,922,184
	MFS Bond Fund A	Registered Investment Company Mutual Fund	N/A	4,595,775
	MFS Investors Growth Stock Fund A	Registered Investment Company Mutual Fund	N/A	4,123,804
	MFS Conservative Allocation Fund A	Registered Investment Company Mutual Fund	N/A	5,559,111
	MFS Moderate Allocation Fund A	Registered Investment Company Mutual Fund	N/A	3,931,979
	MFS Growth Allocation Fund A	Registered Investment Company Mutual Fund	N/A	4,777,516
	MFS Aggressive Allocation Fund A	Registered Investment Company Mutual Fund	N/A	2,533,609
	Allianz Small-Cap Value Fund A	Registered Investment Company Mutual Fund	N/A	4,142,161
	Alliance Bernstein Growth and Income Fund A	Registered Investment Company Mutual Fund	N/A	2,780,774
	Spartan US Equity Index Fund	Registered Investment Company Mutual Fund	N/A	4,803,814
	Ivy International Core Equity A	Registered Investment Company Mutual Fund	N/A	1,066,173
	Wells Fargo Advantage Common Stock A	Registered Investment Company Mutual Fund	N/A	1,175,324
	Notes receivable from participants	Interest rates at 3.00% to 7.41%	-0-	1,211,756
				<u>\$ 59,466,026</u>

**ILC INDUSTRIES
401(K) SAVINGS AND INVESTMENT PLAN**

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL INFORMATION**

Years Ended December 31, 2014 and 2013

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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Plan Administrator of
ILC Industries 401(K) Savings and Investment Plan
Bohemia, New York

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of ILC Industries 401(K) Savings and Investment Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2014 and 2013, and the related statements of changes in net assets available for benefits for the years then ended, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits 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 Notes 3, 4 and 5, which was certified by Reliance Trust Company, the Trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan administrator that the Trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained certifications from the Trustee as of December 31, 2014 and 2013 and for the years then ended, that the information provided to the Plan administrator by the Trustee is complete and accurate.

PERSONAL SERVICE. TRUSTED ADVICE.

ALBRECHT, VIGGIANO, ZURECK & COMPANY, P.C.

245 PARK AVENUE, 39TH FLOOR
NEW YORK, NY 10167
T: 212.792.4075

25 SUFFOLK COURT
HAUPPAUGE, NY 11788-3715
T: 631.434.9500 F: 631.434.9518

www.avz.com
INDEPENDENT MEMBER OF BKR INTERNATIONAL

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

The supplemental Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year) as of December 31, 2014 is 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 is presented for the purpose of additional analysis and is 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 this supplemental schedule.

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 schedule, other than that derived from the information certified by the Trustee, 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.

Albrecht, Viggiano, Zuck & Camp, P.C.

Hauppauge, New York
August 24, 2015

ILC INDUSTRIES
401(K) SAVINGS AND INVESTMENT PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Assets:		
Investments at fair value	\$ 58,254,270	\$ 58,514,758
Notes receivable from participants	<u>1,211,756</u>	<u>1,259,365</u>
Net Assets Reflecting Investments at Fair Value	59,466,026	59,774,123
Adjustment from fair value to contract value for the fully benefit-responsive collective investment fund	<u>(31,724)</u>	<u>-0-</u>
Net Assets Available for Benefits	<u><u>\$ 59,434,302</u></u>	<u><u>\$ 59,774,123</u></u>

See accompanying notes to the financial statements.

ILC INDUSTRIES
401(K) SAVINGS AND INVESTMENT PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
Years Ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Additions:		
Investment income:		
Net appreciation in fair value of investments	\$ 275,799	\$ 6,164,321
Dividends	2,689,202	1,542,920
Other income	5,322	-0-
	<u>2,970,323</u>	<u>7,707,241</u>
Interest income on notes receivable from participants	<u>39,483</u>	<u>43,940</u>
Contributions:		
Participants	2,175,439	2,015,118
Employer	511,368	52,509
Rollovers	234,478	90,876
	<u>2,921,285</u>	<u>2,158,503</u>
Total Additions	<u>5,931,091</u>	<u>9,909,684</u>
Deductions:		
Benefits paid to participants	6,267,564	4,696,396
Administrative expenses	3,348	3,838
Total Deductions	<u>6,270,912</u>	<u>4,700,234</u>
Net (Decrease) Increase	(339,821)	5,209,450
Net Assets Available for Benefits:		
Beginning of Year	<u>59,774,123</u>	<u>54,564,673</u>
End of Year	<u>\$ 59,434,302</u>	<u>\$ 59,774,123</u>

See accompanying notes to the financial statements.

ILC INDUSTRIES
401(K) SAVINGS AND INVESTMENT PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2014 and 2013

Note 1 – Description of Plan

The following description of the ILC Industries 401(K) Savings and Investment Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering substantially all employees of ILC Holdings, Inc. (the "Company") and its domestic subsidiaries after completing two months of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended. The Board of Directors is responsible for oversight of the Plan. The Plan's Executive Committee determines the appropriateness of the Plan's investment offerings, monitors investment performance.

Contributions

Each year, participants may contribute up to 25%, of annual eligible compensation, as defined in the Plan. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified plans (rollover). Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan includes an auto-enrollment provision whereby all newly eligible employees are automatically enrolled in the Plan unless they affirmatively elect not to participate in the Plan. Automatically enrolled participants have their deferral rate set at 3% of eligible compensation with automatic annual increases of 1% up to 6% and their contributions invested in a designated conservative allocation fund until changed by the participant. The Plan currently offers various mutual funds and an investment contract as investment options for participants. The Company may make matching contributions equal to a discretionary percentage of the participant's elective deferrals. Company contributions are invested in a portfolio of investments as directed by participants. Contributions are subject to certain IRS limitations.

Participant Accounts

Each participant's account is credited with the participant's contributions and Company matching contributions, as well as an allocation of Plan earnings. Participant accounts are also charged with an allocation of administrative expenses that are paid by the Plan (see administrative expenses note on page 8). Allocations are based on participant earnings, account balances, or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

ILC INDUSTRIES
401(K) SAVINGS AND INVESTMENT PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2014 and 2013

Note 1 – Description of Plan (continued)

Vesting

Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company's contribution portion of their accounts is based on years of continuous service. A participant is 100 percent vested after two years of credited service, as defined in the Plan.

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. The notes are secured by the balance in the participant's account. The loan interest rate, determined quarterly, is set at a rate that is commensurate with local prevailing rates. Principal and interest is paid ratably through payroll deductions.

Payment of Benefits

On termination of service due to death, disability, retirement, or for other reasons, a participant may elect to receive a lump-sum amount equal to the value of the vested interest in their account. Partial withdrawals or installments are only permitted for age 59½ in-service distributions, hardship distributions and required minimum distributions.

Forfeited Accounts

At December 31, 2014 and 2013, forfeited nonvested accounts totaled approximately \$4,300 and \$6,500, respectively. These accounts will be used to reduce future Company contributions. Company contributions were reduced by approximately \$22,000 and \$13,000 from forfeited nonvested accounts in 2014 and 2013, respectively.

Note 2 – Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting.

Investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan.

ILC INDUSTRIES
401(K) SAVINGS AND INVESTMENT PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2014 and 2013

Note 2 – Summary of Significant Accounting Policies (continued)

Basis of Accounting (continued)

The Statements of Net Assets Available for Benefits at December 31, 2014 presents the fair value of the investment contract as well as the adjustment of the fully benefit-responsive investment contract from fair value to contract value. The Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2014 is prepared on a contract value basis for fully benefit-responsive investment contracts. The Plan did not hold any fully benefit-responsive investment contracts at December 31, 2013, therefore, the Statements of Net Assets Available for Benefits at December 31, 2013 and the Statement of Changes in Net Assets Available for Benefits for the year then ended is prepared on a fair value basis.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2014 and 2013.

Payment of Benefits

Benefits are recorded when paid.

ILC INDUSTRIES
401(K) SAVINGS AND INVESTMENT PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2014 and 2013

Note 2 – Summary of Significant Accounting Policies (continued)

Administrative Expenses

Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net appreciation of fair value of investments.

Subsequent Events

Plan management has evaluated subsequent events through the date of the report, which is the date the financial statements were available to be issued.

Note 3 – Investments

The following presents investments that represent 5% or more of the Plan's net assets as of December 31:

	2014	2013
Fixed Fund	\$ -0-*	\$ 10,565,814
Capital Preservation Fund	9,821,350	-0-*
MFS Total Return Fund A	6,020,696	5,943,154
MFS Global Growth Fund	2,922,184	3,155,379
MFS Investors Growth Stock Fund	4,123,804	3,457,291
MFS Bond Fund A	4,595,775	5,726,154
MFS Conservative Allocation Fund A	5,559,111	4,855,745
MFS Moderate Allocation Fund A	3,931,979	4,006,312
MFS Growth Allocation Fund A	4,777,516	4,904,005
Allianz Small-Cap Value Fund A	4,142,161	4,634,982
Spartan U.S. Equity Index Fund	4,803,814	3,771,442

*Does not represent 5% or more of the Plan's net assets available for benefits in each investment for the respective year.

During 2014 and 2013, the Plan's investments (including gains and losses on investments bought and sold, and held during the year) appreciated in value by approximately \$276,000 and \$6,164,000 respectively, which consists solely of mutual funds.

ILC INDUSTRIES
401(K) SAVINGS AND INVESTMENT PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2014 and 2013

Note 4 – Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described 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 significant to the fair value measurement

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2014 and 2013.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

ILC INDUSTRIES
401(K) SAVINGS AND INVESTMENT PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2014 and 2013

Note 4 – Fair Value Measurements (continued)

Collective investment fund: Valued at the NAV of the underlying units of the fund. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV. Participant transactions (purchased and sales) may occur daily. Were the Plan to initiate a full redemption of the collective fund, the investment adviser reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2014 and 2013. There were no level 3 assets as of December 31, 2014 and 2013.

<u>Assets at Fair Value at December 31, 2014</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Mutual funds:			
Index funds	\$ 4,803,814	\$ -0-	\$ 4,803,814
Balanced funds	6,020,696	-0-	6,020,696
Growth funds	8,221,312	-0-	8,221,312
Value funds	6,922,935	-0-	6,922,935
Bond funds	4,595,775	-0-	4,595,775
Allocation funds	16,802,215	-0-	16,802,215
Other funds	<u>1,066,173</u>	<u>-0-</u>	<u>1,066,173</u>
Total mutual funds	48,432,920	-0-	48,432,920
Collective investment fund (Note 5)	<u>-0-</u>	<u>9,821,350</u>	<u>9,821,350</u>
Total assets at fair value	<u>\$ 48,432,920</u>	<u>\$ 9,821,350</u>	<u>\$ 58,254,270</u>
<u>Assets at Fair Value at December 31, 2013</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Mutual funds:			
Index funds	\$ 3,771,442	\$ -0-	\$ 3,771,442
Growth funds	7,588,304	-0-	7,588,304
Value funds	7,370,528	-0-	7,370,528
Bond funds	5,726,154	-0-	5,726,154
Allocation funds	22,332,344	-0-	22,332,344
Other funds	<u>1,160,172</u>	<u>-0-</u>	<u>1,160,172</u>
Total mutual funds	47,948,944	-0-	47,948,944
Collective investment fund (Note 5)	<u>10,565,814</u>	<u>-0-</u>	<u>10,565,814</u>
Total assets at fair value	<u>\$ 58,514,758</u>	<u>\$ -0-</u>	<u>\$ 58,514,758</u>

ILC INDUSTRIES
401(K) SAVINGS AND INVESTMENT PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2014 and 2013

Note 5 – Collective Investment Fund

As of and for the year ended December 31, 2014, the Plan has a fully benefit-responsive collective investment fund, the Capital Preservation Fund (the “Fund”). The Fund is operated by Federated Investors Trust Company, a wholly owned subsidiary of Federated Investors, Inc. The Fund holds guaranteed investment contracts (traditional “GICs”), separate account guaranteed investment contracts (separate account GICs) and synthetic guaranteed investment contracts (synthetic GICs).

The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. Each of the separate account GICs and synthetic GICs has a wrap contract that provides a minimum guaranteed rate of return for the term of the contracts. The guaranteed investment contract issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan.

Because the Fund holds investment contracts that are fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the investment contracts in the collective investment fund. The collective investment fund is presented on the face of the Statements of Net Assets Available for Benefits at fair value with an adjustment to contract value in arriving at net assets available for benefits. Contract value represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

At December 31, 2013, the Plan had a collective investment fund, the Fixed Fund, operated by SEI Trust Company (“SEI”). Prior to December 9, 2013, investments held by the Fixed Fund consisted of a variety of fully benefit-responsive investment contracts such as guaranteed investment contracts issued by insurance companies and other financial institutions and other investment products (synthetic GICs and collective investment trusts) with similar characteristics. SEI maintained the contributions in a general account under a common collective trust (the “Trust”). On December 9, 2013, the Board of Directors of SEI, as Trustee, authorized the termination of the Trust and prior to that date, all of the Trust’s securities were liquidated and the proceeds thereof were invested into money market investments held by the Trust. As such, at December 31, 2013, the Plan did not hold any fully benefit-responsive investment contracts, and accordingly, the Statement of Net Assets Available for Benefits at December 31, 2013 and the Statement of Changes in Net Assets Available for Benefits for the year then ended is prepared on a fair value basis.

There are no reserves against contract value for credit risk of the contract issuer or otherwise. The fair value of the collective investment fund at December 31, 2014 and 2013 was approximately \$9,821,000 and 10,566,000, respectively. The crediting interest rate is based on a formula agreed upon with the issuer of each guaranteed investment contract held by Fund, but it may not be less than 0%. Such interest rates are reviewed on a monthly or quarterly basis for resetting, according to each GIC.

ILC INDUSTRIES
401(K) SAVINGS AND INVESTMENT PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2014 and 2013

Note 5 – Collective Investment Fund (continued)

Certain events limited the Plan's ability to transact at contract value with the issuer. Such events include, but are not limited to, the following: mergers, mass layoffs, plan terminations, implementation of early retirement incentive programs or other events within the control of the Fund or the Plan Sponsor resulting in a material and adverse financial impact on the issuer's obligations under the GIC. The Plan administrator does not believe that any events that would limit the Plan's ability to transact at contract value with Plan participants are probable of occurring.

The guaranteed investment contracts which the Fund has entered into limit the circumstances under which the issuer may terminate the agreement prior to the scheduled maturity date.

The average yields earned by the guaranteed investment contracts held by the Fund at December 31, 2014 are as follows:

Average yields:

Based on annualized earnings	1.10%
Based on interest rate credited to participants	1.14%

Note 6 – Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100 percent vested in their Company contributions.

Note 7 – Tax Status

The Plan is structured and follows a prototype non-standardized cash or deferred profit sharing plan, pre-approved by the Internal Revenue Service (IRS). The IRS issued an opinion letter dated March 31, 2008, that the prototype non-standardized profit sharing plan is acceptable under the applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the opinion letter, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and, therefore, believes that the Plan is qualified and related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the applicable taxing authority. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2011.

ILC INDUSTRIES
401(K) SAVINGS AND INVESTMENT PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2014 and 2013

Note 8 – Certification

Other than the fair value of the collective investment fund and the related adjustment from fair value to contract value for fully benefit-responsive investment contracts, certain information related to investments and notes receivable from participants disclosed in the accompanying financial statements and supplemental schedule, including investments and notes receivable from participants held at December 31, 2014 and 2013, and net appreciation in fair value of investments, interest and dividends for the years then ended, was obtained or derived from information supplied to the plan administrator and certified as complete and accurate by Reliance Trust Company (the Trustee of the Plan). The contract value of the collective investment fund was certified by the Trustee.

Note 9 – Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the Statements of Net Assets Available for Benefits.

SUPPLEMENTAL INFORMATION

ILC INDUSTRIES
401(K) SAVINGS AND INVESTMENT PLAN
EMPLOYER IDENTIFICATION NUMBER 51-0105260
PLAN NUMBER 001
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