

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). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2013 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2013 or fiscal plan year beginning <u>12/10/2013</u> and ending <u>12/09/2014</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; 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 CARDONE INDUSTRIES, INC. UNION EMPLOYEES' PENSION PLAN	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;">002</td> </tr> <tr> <td colspan="2">1c Effective date of plan 12/10/1982</td> </tr> <tr> <td colspan="2">2b Employer Identification Number (EIN) 23-1916269</td> </tr> <tr> <td colspan="2">2c Sponsor's telephone number 215-912-3000</td> </tr> <tr> <td colspan="2">2d Business code (see instructions) 336300</td> </tr> </table>	1b Three-digit plan number (PN) ▶	002	1c Effective date of plan 12/10/1982		2b Employer Identification Number (EIN) 23-1916269		2c Sponsor's telephone number 215-912-3000		2d Business code (see instructions) 336300	
1b Three-digit plan number (PN) ▶	002										
1c Effective date of plan 12/10/1982											
2b Employer Identification Number (EIN) 23-1916269											
2c Sponsor's telephone number 215-912-3000											
2d Business code (see instructions) 336300											
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) CARDONE INDUSTRIES, INC. 5501 WHITAKER AVENUE PHILADELPHIA, PA 19124											

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2015	JOHN BRAWNER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)			Preparer's telephone number (optional)

3a Plan administrator's name and address ☐ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address CARDONE INDUSTRIES, INC. 5501 WHITAKER AVENUE PHILADELPHIA, PA 19124		3b Administrator's EIN 23-1916269
		3c Administrator's telephone number 215-912-3000
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	4071
6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants	6a	1741
b Retired or separated participants receiving benefits	6b	713
c Other retired or separated participants entitled to future benefits	6c	1550
d Subtotal. Add lines 6a , 6b , and 6c	6d	4004
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	6e	49
f Total. Add lines 6d and 6e	6f	4053
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6h	
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: 1B		
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) ☐ 0 A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)	

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2013 This Form is Open to Public Inspection
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For calendar plan year 2013 or fiscal plan year beginning 12/10/2013 and ending 12/09/2014

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan CARDONE INDUSTRIES, INC. UNION EMPLOYEES' PENSION PLAN	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF CARDONE INDUSTRIES, INC.	D Employer Identification Number (EIN) 23-1916269
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1 Enter the valuation date: Month 12 Day 10 Year 2013	
2 Assets:	
a Market value	2a 59080895
b Actuarial value	2b 56301185
3 Funding target/participant count breakdown:	
a For retired participants and beneficiaries receiving payment.....	3a 660 14504493
b For terminated vested participants.....	3b 1541 17345416
c For active participants:	
(1) Non-vested benefits	3c(1) 2351041
(2) Vested benefits	3c(2) 19271268
(3) Total active.....	3c(3) 1870 21622309
d Total.....	3d 4071 53472218
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐	
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor.....	4b
5 Effective interest rate	5 6.40 %
6 Target normal cost	6 120000

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE		09/21/2015
JOSEPH E. CASEY	Signature of actuary	Date
PENSION LIVE, LLC	Type or print name of actuary	14-04549
66 NORTH STREET MEDFIELD, MA 02052-1657	Firm name	Most recent enrollment number
	Address of the firm	508-242-9860
		Telephone number (including area code)

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2013
v. 130118

Part II Beginning of Year Carryover and Prefunding Balances		
	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	2073849	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	2073849	0
10 Interest on line 9 using prior year's actual return of <u>14.50</u> %	300708	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		4923624
b Interest on (a) using prior year's effective interest rate of <u>7.12</u> % except as otherwise provided (see instructions)		350562
c Total available at beginning of current plan year to add to prefunding balance		5274186
d Portion of (c) to be added to prefunding balance		
12 Other reductions in balances due to elections or deemed elections		
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	2374557	0

Part III Funding Percentages		
14 Funding target attainment percentage	14	100.84 %
15 Adjusted funding target attainment percentage	15	105.29 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	106.71 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
Totals ►			18(b)	0	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a Contributions allocated toward unpaid minimum required contributions from prior years.	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	0
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year?	☐ Yes ☒ No	
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☐ Yes ☐ No	
c If line 20a is "Yes," see instructions and complete the following table as applicable:		

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:				
a Segment rates:	1st segment: 4.94%	2nd segment: 6.15%	3rd segment: 6.76 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 66
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6).....	31a	120000	
b Excess assets, if applicable, but not greater than line 31a	31b	120000	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment.....	0	0	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...	34	0	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....			0
36 Additional cash requirement (line 34 minus line 35).....	36	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	0	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b		
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		

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
		2013
		This Form is Open to Public Inspection.

For calendar plan year 2013 or fiscal plan year beginning 12/10/2013 and ending 12/09/2014

A Name of plan <u>CARDONE INDUSTRIES, INC. UNION EMPLOYEES' PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CARDONE INDUSTRIES, INC.</u>	D Employer Identification Number (EIN) <u>23-1916269</u>

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

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

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)

PENSION LIVE, LLC

26-2239692

(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	NONE	139260	Yes ☐ No ☒	Yes ☐ No ☐		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?
15	NONE	87004	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

BMO FINANCIAL SERVICES

39-6436442

(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?
12 13 15	NONE	27504	Yes ☐ No ☒	Yes ☐ No ☐		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)

RYAN LABS, INC

13-3451974

(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?
28	NONE	17893	Yes ☐ No ☒	Yes ☐ No ☐		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 ☐

(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
(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.	

(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.	

(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 H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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.	<small>OMB No. 1210-0110</small> 2013 This Form is Open to Public Inspection
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For calendar plan year 2013 or fiscal plan year beginning <u>12/10/2013</u> and ending <u>12/09/2014</u>		
A Name of plan <u>CARDONE INDUSTRIES, INC. UNION EMPLOYEES' PENSION PLAN</u>	B Three-digit plan number (PN) ►	<u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CARDONE INDUSTRIES, INC.</u>	D Employer Identification Number (EIN) <u>23-1916269</u>	

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	5000000	0
(2) Participant contributions.....	1b(2)		
(3) Other.....	1b(3)	0	191662
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	9837065	271211
(2) U.S. Government securities	1c(2)	0	8935166
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)	0	16286535
(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)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	44424222	33870995
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)	0	1986515

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	59261287	61542084

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	38183	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	38183	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	59223104	61542084
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Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	0	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		0
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)	263040	
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)	23222	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		286262
(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)	396286	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		396286
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	155024169	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	145393475	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		9630694
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	-6339511	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		-6339511

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		190995
d Total income. Add all income amounts in column (b) and enter total	2d		4164726

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1610035	
(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)		1610035
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)	241711	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	-6000	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		235711
j Total expenses. Add all expense amounts in column (b) and enter total	2j		1845746

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		2318980
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: MARCUM LLP

(2) EIN: 11-1986323

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	
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	
e Was this plan covered by a fidelity bond?	X		500000
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	
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	
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	
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		
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	
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	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
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.			

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

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

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

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

Part V Trust Information (optional)

6a Name of trust	6b Trust's EIN

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2013 This Form is Open to Public Inspection.
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For calendar plan year 2013 or fiscal plan year beginning 12/10/2013 and ending 12/09/2014

A Name of plan <u>CARDONE INDUSTRIES, INC. UNION EMPLOYEES' PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CARDONE INDUSTRIES, INC.</u>	D Employer Identification Number (EIN) <u>23-1916269</u>

Part I	Distributions
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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	<u>0</u>
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>84-0519832</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	<u>5</u>

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)
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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
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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
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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.
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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: 28.0% Investment-Grade Debt: 72.0% 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): _____

CARDONE INDUSTRIES, INC.
UNION EMPLOYEES' PENSION PLAN
FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION
FOR THE YEARS ENDED DECEMBER 9, 2014 AND 2013

CARDONE INDUSTRIES, INC.
UNION EMPLOYEES' PENSION PLAN

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Cardone Industries, Inc.
Union Employees' Pension Plan

Report on the Financial Statements

We have audited the accompanying financial statements of Cardone Industries, Inc. Union Employees' Pension Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 9, 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

Plan 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 our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 9, 2014 and 2013, and the changes in its net assets available for benefits for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of assets (held at end of year) as of December 9, 2014 referred to as “supplemental information,” is presented for the purpose of additional analysis and is not a required part of the financial statements but are supplemental information required by the Department of Labor’s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan’s management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Marcum LLP

Bala Cynwyd, PA
October 14, 2015

CARDONE INDUSTRIES, INC.

UNION EMPLOYEES' PENSION PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEARS ENDED DECEMBER 9, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
Assets		
Investments, at fair value:		
Money market funds	\$ 271,211	\$ 9,837,065
Bonds	27,208,216	--
Mutual funds	<u>33,870,995</u>	<u>44,424,222</u>
Total Investments	61,350,422	54,261,287
Receivables:		
Interest income	191,662	--
Employer contribution receivable	<u>--</u>	<u>5,000,000</u>
Total Assets	61,542,084	59,261,287
Liabilities		
Accrued administrative expenses	<u>--</u>	<u>32,183</u>
Net Assets Available for Benefits	<u>\$61,542,084</u>	<u>\$59,229,104</u>

The accompanying notes are an integral part of these financial statements.

CARDONE INDUSTRIES, INC.

UNION EMPLOYEES' PENSION PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEARS ENDED DECEMBER 9, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
Additions to Net Assets Attributed to:		
Investment income:		
Interest and dividends	\$ 873,643	\$ 895,761
Net appreciation in the fair value of investments	<u>3,291,083</u>	<u>6,134,843</u>
Total Investment Income	4,164,726	7,030,604
Employer contributions	<u>--</u>	<u>5,450,000</u>
Total Additions	<u>4,164,726</u>	<u>12,480,604</u>
Deductions from Net Assets Attributed to:		
Benefits paid directly to participants	1,610,035	1,324,615
Administrative expenses	<u>241,711</u>	<u>356,912</u>
Total Deductions	<u>1,851,746</u>	<u>1,681,527</u>
Net Increase	2,312,980	10,799,077
Net Assets Available for Benefits:		
Beginning of year	<u>59,229,104</u>	<u>48,430,027</u>
End of year	<u>\$61,542,084</u>	<u>\$59,229,104</u>

The accompanying notes are an integral part of these financial statements.

CARDONE INDUSTRIES, INC.

UNION EMPLOYEES' PENSION PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEARS ENDED DECEMBER 9, 2014 AND 2013

NOTE 1 - DESCRIPTION OF THE PLAN

Pursuant to a collective bargaining agreement, Cardone Industries, Inc. (the "Company" and "Plan Sponsor") established the Cardone Industries, Inc. Union Employees' Pension Plan (the "Plan") effective December 10, 1982 and the most recent amendment is dated December 31, 2013.

Information regarding vesting and benefit provisions, the priority order of participants' claims to the assets of the Plan upon termination and the benefits guaranteed by the Pension Benefit Guaranty Corporation ("PBGC"), including the application of the PBGC guaranty to recent plan amendments, may be found in the plan agreement.

The following brief description of the Plan is provided for general information purposes only. Participants should refer to the plan agreement for more complete information.

GENERAL

The Plan is a noncontributory, defined benefit pension plan covering substantially all employees who are members of Service Employee's International Union Local #252 and employed by Cardone Industries, Inc. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

PLAN TRUSTEE

The Plan's investments are held by the trustee of the Plan, BMO Harris Bank N.A. ("BMO") as of January 8, 2013.

PLAN ADMINISTRATION

The Plan is administered by a committee appointed by the Board of Directors of the Company. The committee has overall responsibility for the operation and administration of the Plan. The committee determines the appropriateness of the Plan's investment offerings, monitors investment performance and reports to the Plan's Board of Directors.

CARDONE INDUSTRIES, INC.

UNION EMPLOYEES' PENSION PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEARS ENDED DECEMBER 9, 2014 AND 2013

NOTE 1 - DESCRIPTION OF THE PLAN (CONTINUED)

PENSION BENEFITS

For retirements on or after December 10, 1988, employees are entitled to monthly pension benefits beginning at normal retirement age (65) equal to \$13.50 multiplied by years of service and for retirements prior to December 10, 1988, the monthly benefit is \$7.00 to \$9.50 multiplied by years of service, subject to the amount in which the participant is vested. The Plan permits early retirement at ages 55-64. Employees may elect to receive their pension benefits in the form of a joint and survivor annuity. If employees terminate before rendering 15 years of service, they forfeit the right to early retirement. The normal form of payment to a retired participant of retirement benefits payable under the Plan is a monthly life annuity payable commencing on the participant's pension commencement date and terminating with the payment due immediately preceding death. A lump sum payment to a retired participant occurs when their accrued benefit is \$5,000 or less.

The Plan was frozen for union employees on December 9, 2013 (the "freeze" date). Effective December 9, 2013, the Company amended its Defined Benefit Pension Plan to freeze the accrual of future benefits for union employees. A participant's credited service was determined as of the freeze date. Participant accrued benefits were based on provisions of the Plan in effect at the freeze date, but calculated as if participants had terminated employment as of the freeze date.

DEATH AND DISABILITY BENEFITS

If an active employee dies, a death benefit equal to the remaining value of the employee's accumulated pension benefits is paid to the employee's beneficiary at the earliest retirement age. Active employees who become totally disabled receive annual disability benefits that are equal to the normal retirement benefits they have accumulated as of the time they become disabled. Disability benefits are paid until normal retirement age at which time the disabled participants begin receiving normal retirement benefits computed as though they had been employed to normal retirement age with their annual compensation remaining the same as at the time they became disabled.

CARDONE INDUSTRIES, INC.

UNION EMPLOYEES' PENSION PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEARS ENDED DECEMBER 9, 2014 AND 2013

NOTE 1 - DESCRIPTION OF THE PLAN (CONTINUED)

FUNDING POLICY

The Company's funding policy is to make annual contributions to the Plan in amounts sufficient to provide benefits specified in the Plan and in accordance with the collective bargaining agreement. During 2014 and 2013, the Company made contributions of \$0 and \$5,450,000, respectively. As of December 9, 2014 and 2013, the Plan is in compliance with the minimum funding requirements of ERISA.

Participants are not required or permitted to make contributions under the Plan.

Although it has not expressed any intention 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 set forth in ERISA.

VESTING

A participant becomes 20% vested after three years of credited service. Such vesting increases 20% each year thereafter until reaching 100% after seven years of credited service.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following are the significant accounting policies followed by the Plan:

BASIS OF ACCOUNTING

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

USE OF ESTIMATES

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, and disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates.

CARDONE INDUSTRIES, INC.

UNION EMPLOYEES' PENSION PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEARS ENDED DECEMBER 9, 2014 AND 2013

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. The Plan's investment committee determines the Plan's valuation policies utilizing information provided by its investment advisors and custodian. See Note 3 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 (realized and unrealized) on investments bought and sold, as well as held during the year.

BENEFITS PAID DIRECTLY TO PARTICIPANTS

Benefit payments to participants are recorded when paid.

ADMINISTRATIVE EXPENSES

Certain recordkeeping and administrative expenses of the Plan are borne by the Company. Expenses that are paid directly by the Company are excluded from these financial statements. Third party administrator fees and custodian fees are paid by the Plan and are recorded as deductions in the accompanying Statements of Changes in Net Assets Available for Benefits. Various transaction charges include distribution and general administration of the Plan and represent substantially all of the Plan's administrative expenses. In addition, certain investment related expenses are included in net appreciation of fair value of investments presented in the accompanying Statements of Changes in Net Assets Available for Benefits. For the years ended December 9, 2014 and 2013 the Plan paid administrative fees totaling \$241,711 and \$356,912, respectively.

NOTE 3 - FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 820, Fair Value Measurements and Disclosures, provides the framework for measuring fair value. That framework 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

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FOR THE YEARS ENDED DECEMBER 9, 2014 AND 2013

NOTE 3 - FAIR VALUE MEASUREMENTS (CONTINUED)

(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 Fair Value Measurements

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 Fair Value Measurements

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 Fair Value Measurements

Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's 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 9, 2014 and 2013.

Mutual Funds and Money Market Funds: Valued at the daily closing price as reported by the fund. Funds held by the Plan are open-ended 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 funds held by the Plan are deemed to be actively traded.

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FOR THE YEARS ENDED DECEMBER 9, 2014 AND 2013

NOTE 3 - FAIR VALUE MEASUREMENTS (CONTINUED)

Corporate Bonds: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar bonds, the bond is valued under a discounted cash flows approach that maximizes observable inputs, such as current yields of similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks or a broker quote if available.

U.S. government securities: Valued using pricing models maximizing the use of observable inputs for similar securities.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 9, 2014 and 2013. During 2014 and 2013, there were no transfers of financial assets or liabilities between Levels within the fair value hierarchy.

	Total	Assets at Fair Value as of December 9, 2014		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Quoted Prices for Similar Assets in Active or Non-active Markets (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Investments:				
Money market funds	\$ 271,211	\$ 271,211	\$ --	\$ --
Bonds:				
Corporate	16,250,258	--	16,250,258	--
Foreign	2,000,784	--	2,000,784	--
Government	8,957,174	--	8,957,174	--
Total Bonds:	27,208,216	--	27,208,216	--
Mutual funds:				
Growth	8,996,287	8,996,287	--	--
Capital appreciation	24,874,708	24,874,708	--	--
Total Mutual Funds	33,870,995	33,870,995	--	--
Total Assets	\$61,350,422	\$34,142,206	\$27,208,216	\$ --

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STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEARS ENDED DECEMBER 9, 2014 AND 2013

NOTE 3 - FAIR VALUE MEASUREMENTS (CONTINUED)

		Assets at Fair Value as of December 9, 2013		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Quoted Prices for Similar Assets in Active or Non-active Markets (Level 2)	Significant Unobservable Inputs (Level 3)
	Total			
Assets				
Investments:				
Money market funds	\$ 9,837,065	\$ 9,837,065	\$ --	\$ --
Mutual funds:				
Bond	13,991,855	13,991,855	--	--
Growth	20,589,267	20,589,267	--	--
Income	7,381,162	7,381,162	--	--
Capital appreciation	<u>2,461,938</u>	<u>2,461,938</u>	--	--
Total Mutual Funds	<u>44,424,222</u>	<u>44,424,222</u>	--	--
Total Assets	<u>\$54,261,287</u>	<u>\$54,261,287</u>	<u>\$ --</u>	<u>\$ --</u>

NOTE 4 - ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS

Accumulated plan benefits are those future periodic payments, including lump sum distributions that are attributable under the Plan's provisions to the employees for services they have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits under the Plan are based on a retirement benefit formula equal to \$13.50 per month for each year of service with the Company and for retirements prior to December 31, 1988 the monthly benefit is \$7.00 to \$9.50 per month for each year of service. Benefits payable under all circumstances - retirement, death and termination of employment - are included, to the extent they are deemed attributable to employee service rendered to the valuation date. Funds that were allocated and applied to purchase annuities (whereby, Bank of Montreal was obligated to pay the related pension benefits) are excluded from the Plan's assets.

The actuarial present value of accumulated plan benefits is determined by the actuarial firm of Pension Live, LLC and is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal or retirement) between the valuation date and the expected date of payment. The significant actuarial assumptions used in the valuations as of December 10,

CARDONE INDUSTRIES, INC.

UNION EMPLOYEES' PENSION PLAN

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FOR THE YEARS ENDED DECEMBER 9, 2014 AND 2013

NOTE 4 - ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS (CONTINUED)

2014 and 2013 were (a) life expectancy of participants (the RP-2014 Blue Collar generational scale was used), (b) retirement age assumptions vary from 55 to the normal retirement at age 70, and (c) investment return. The 2014 and 2013 valuations included assumed average rate of return of 4.55% and 4.53%, respectively. The foregoing actuarial assumptions were based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits. The computations of the actuarial present value of accumulated plan benefits were made on December 10, 2014 and 2013. Had the valuations been performed as of December 9, there would be no material differences.

Accumulated plan benefits are summarized as follows:

	December 9,	
	2014	2013
Actuarial present value of accumulated plan benefits:		
Vested benefits:		
Active participants	\$26,167,122	\$26,847,019
Participant with deferred benefits	23,220,103	23,099,343
Participants receiving payments	<u>18,938,989</u>	<u>16,233,389</u>
Total vested benefits	68,326,214	66,179,751
Non-vested benefits	<u>2,948,615</u>	<u>3,220,821</u>
Actuarial Present Value of Accumulated Plan Benefits, total	<u>\$71,274,829</u>	<u>\$69,400,572</u>

NOTE 5 - RECONCILIATION OF CHANGES IN ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS

	Year Ended December 9,	
	2014	2013
Actuarial present value of accumulated plan benefits at beginning of year	\$69,400,572	\$59,110,743
Increase (decrease) during plan year due to:		
Interest due to decrease in the discount period	3,107,783	3,028,062
Benefits accumulated	592,604	2,142,001
Benefits paid	(1,610,035)	(1,324,615)
Changes in assumptions	<u>(216,095)</u>	<u>6,444,381</u>
Actuarial Present Value of Accumulated Plan Benefits at end of year	<u>\$71,274,829</u>	<u>\$69,400,572</u>

CARDONE INDUSTRIES, INC.

UNION EMPLOYEES' PENSION PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEARS ENDED DECEMBER 9, 2014 AND 2013

NOTE 5 - RECONCILIATION OF CHANGES IN ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS (CONTINUED)

All actuarial methods and assumptions used in the 2014 valuation were the same as used in the prior year except that the discount rate for determining the FASB ASC Topic 960 present value of accumulated plan benefits has increased from 4.53% per year to 4.55% per year.

NOTE 6 - PLAN TERMINATION

In the event that the Plan terminates, the net assets of the Plan will be allocated, as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

- 1) Benefits attributable to employee contributions, taking into account those paid out before termination;
- 2) Annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under plan provisions in effect at any time during the five years preceding plan termination;
- 3) Other vested benefits insured by the Pension Benefit Guaranty Corporation ("PBGC") (a U.S. government agency) up to the applicable limitations;
- 4) All other vested benefits (that is, vested benefits not insured by the PBGC); and
- 5) All nonvested benefits.

Benefits to be provided via contracts under which the Company is obligated to pay the benefits would be excluded for allocation purposes.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. However, a statutory ceiling exists, which is adjusted periodically, on the amount of an individual's monthly benefit that the PBGC guarantees.

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FOR THE YEARS ENDED DECEMBER 9, 2014 AND 2013

NOTE 6 - PLAN TERMINATION (CONTINUED)

For plan terminations occurring during 2014 that ceiling is \$5,011 per month. That ceiling applies to those pensioners who elect to receive their benefits in the form of a single-life annuity and are at least 65 years old at the time of retirement or plan termination (whichever comes later). For younger annuitants or for those who elect to receive their benefits in some form more valuable than a single-life annuity, the corresponding ceilings are actuarially adjusted downward.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the plan sponsor and the level of benefits guaranteed by the PBGC.

NOTE 7 - INVESTMENTS

The following table presents the fair value of investments that represent 5% or more of the Plan's net assets available for benefits at December 9:

	2014	2013
Money Market Funds:		
BMO Prime Money Market Class I	\$ **	\$9,837,065
Mutual Funds:		
Nuveen Mid Cap Growth Opportunities	4,349,601	**
Aston/Herndon Large Cap Value Fund	4,867,824	**
Schwab Fundamental US Large Co Index	4,483,532	**
Vanguard Institutional Index Fd #94	3,368,588	**
American Europacific Growth Fund	4,646,686	**
Harbor International Fund Inst #2011	4,403,105	**
Henderson Intl Opportunities Fund	4,735,859	**
American Capital World Growth & Income Fund	**	5,668,661
American Growth Fund of America	**	7,619,645
American Investment Company of America	**	7,381,162
Columbia Acorn Select Fund Class Z	**	4,078,041
Royce PA Mutual Fund Invest C	**	3,222,921
Loomis Sayles Core Plus Bond Y	**	7,372,005

** Investment does not represent five percent (5%) or more of the Plan's net assets available for benefits for the respective Plan year end.

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UNION EMPLOYEES' PENSION PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEARS ENDED DECEMBER 9, 2014 AND 2013

NOTE 7 – INVESTMENTS (CONTINUED)

During the year ended December 9, 2014, the plan's investments (including gains and losses on mutual funds and bonds bought and sold, as well as held during the year) appreciated by \$1,332,426 and \$1,958,657 for mutual funds and bonds, respectively.

During the year ended December 9, 2013, the plan's investments appreciated in value by \$6,134,843 and \$0 for mutual funds and bonds, respectively.

NOTE 8 - TAX STATUS

The Plan obtained its latest determination letter on October 28, 2003, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code. The Plan has been amended since receiving the determination letter. However, the plan administrator and the Plan's tax counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

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 Internal Revenue Service. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 9, 2014, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosures in the financial statements. 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.

CARDONE INDUSTRIES, INC.
UNION EMPLOYEES' PENSION PLAN
NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 9, 2014 AND 2013

NOTE 9 - RELATED PARTY TRANSACTIONS

Certain plan investments are shares of funds managed by BMO. BMO was the trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions.

Fees paid by the Plan for the investment management services to BMO amounted to approximately \$28,000 and \$25,000 for the years ended December 9, 2014 and 2013, respectively.

NOTE 10 - 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 the amounts reported in the statement of net assets available for benefits.

Plan contributions are made, and the actuarial present value of accumulated plan benefits is reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

NOTE 11 - SUBSEQUENT EVENTS

The Plan's management has evaluated subsequent events to determine if events or transactions occurring through October 14, 2015 the date the financial statements were available for issuance, require potential adjustments to, or disclosure in, the accompanying financial statements. Based upon the evaluation, the Plan's management did not identify any subsequent events that require adjustment or disclosure in the financial statements

CARDONE INDUSTRIES INC. UNION EMPLOYEES' PENSION PLAN

EIN# 23-1916269

PLAN # 002

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

DECEMBER 9 , 2014

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	Cost	Current Value
	<u>Money Market Funds:</u>			
*	BMO Prime Money Market	Interest Bearing Cash	\$ 271,211	\$ 271,211
			<u>271,211</u>	<u>271,211</u>
	<u>Mutual Funds:</u>			
	Undiscovered Managers Behavioral Value Fund	Mutual Fund, 53,207.489 shares	2,886,984	3,015,800
	Nuveen Mid Cap Growth Opportunities Fund Class 1	Mutual Fund, 80,088.393 shares	3,982,796	4,349,601
	Aston/Herndon Large Cap Value Fund Class 1	Mutual Fund, 334,558.324 shares	4,918,007	4,867,824
	Schwab Fundamental US Large Co Index	Mutual Fund, 283,230.095 shares	4,098,339	4,483,532
	Vanguard Institutional Index Fund	Mutual Fund, 17,768.690 shares	3,035,341	3,368,588
	American Europacific Growth Fund Class R6	Mutual Fund, 95,082.594 shares	4,644,785	4,646,686
	Harbor International Fund Inst	Mutual Fund, 64,448.241 shares	4,644,785	4,403,105
	Henderson Intl Opportunities Fund Class 1	Mutual Fund, 175,142.713 shares	4,644,785	4,735,859
			<u>32,855,822</u>	<u>33,870,995</u>
	<u>Bonds:</u>			
	Government Natl Mtg Assn Gtd Remic Passthru Secs Ser 2014	Fixed Income, 2.546%, Mat 6/16/2053	178,471	180,759
	US Treasury Bond	Fixed Income, 3.625%, Mat 2/15/2044	1,348,388	1,484,003
	US Treasury Bond	Fixed Income, 3.375%, Mat 5/15/2044	31,744	33,007
	US Treasury Sec Stripped Int Pmt	Fixed Income, Mat 2/15/2008	538,598	648,733
	US Treasury Sec Stripped Int Pmt	Fixed Income, Mat 2/15/2034	615,677	724,777
	US Treasury Sec Stripped Int Pmt Tint	Fixed Income, Mat 2/15/2035	672,677	798,357
	US Treasury Sec Stripped Int Pmt Tint	Fixed Income, Mat 2/15/2036	530,735	635,123
	US Treasury Sec Stripped Int Pmt Tint	Fixed Income, Mat 2/15/2037	580,510	700,168
	US Treasury Sec Stripped Int Pmt Tint	Fixed Income, Mat 2/15/2039	492,476	593,977
	US Treasury Sec Stripped Int Pmt Tint	Fixed Income, Mat 2/15/2040	458,896	552,227
	US Treasury Sec Stripped Int Pmt Int	Fixed Income, Mat 2/15/2041	412,511	502,293
	US Treasury Sec Stripped Int Pmt Int	Fixed Income, Mat 2/15/2042	373,780	457,377
	US Treasury Sec Stripped Int Pmt Int	Fixed Income, Mat 2/15/2043	875,783	1,037,755
	California ST GO Bds Taxable	Fixed Income, 7.30%, Mat 10/1/2039	183,041	196,017
	New Jersey ST Trans Tr Fd Aut Transportation System Bd 2010	Fixed Income, 6.561%, Mat 12/15/2040	102,360	104,670
	New York NY GO Bds 2010 D Taxable	Fixed Income, 5.985%, Mat 12/01/2036	141,738	145,726
	New York ST Dorm Auth ST Pers Income Tax Rev Bds 2010h	Fixed Income, 5.389%, Mat 3/15/2040	60,729	61,866
	Pennsylvania ST GO Bds 1st SE Taxable	Fixed Income, 4.65%, Mat 2/15/2026	76,380	78,334
	AT&T Inc Sr NT	Fixed Income, 2.30%, Mat 3/11/2019	75,617	74,995
	Bank Amer Fdg Corp	Fixed Income, 5.65%, Mat 05/01/2018	100,751	100,133
	Bank New York MTN Bk Ent Fr	Fixed Income, 2.10%, Mat 1/15/2019	95,774	95,413
	Bear Stearns Cos Inc	Fixed Income, 7.25%, Mat 2/1/2018	154,903	150,722
	Carolina Pwr & LT Co 1st Mtg	Fixed Income, 5.30%, Mat 1/15/2019	125,806	123,862
	Cisco Sys Inc Sr NT	Fixed Income, 4.95%, Mat 2/15/2019	85,283	83,782
	Duke Energy Corp New Sr NT	Fixed Income, 2.10%, Mat 6/15/2018	75,968	75,809
	Exeter Auto Recv Tr Ser 2014 1 Class C	Fixed Income, 3.57%, Mat 7/15/2019	386,945	378,777
	Freeport McMoran Copper & Gold Sr NT	Fixed Income, 2.375%, Mat 3/15/2018	86,272	84,559
	Glencore Fdg LLC Sr Gbl 144a	Fixed Income, 1.70%, Mat 5/27/2016	236,527	235,778
	Goldman Sachs Group Inc	Fixed Income, 6.15%, Mat 4/1/2018	164,687	163,459
	Nyse Euronext NT	Fixed Income, 2.00%, Mat 10/05/2017	91,385	91,134
	Totals - carried forward		<u>\$ 9,354,412</u>	<u>\$ 10,593,592</u>

See independent auditors' report.

CARDONE INDUSTRIES INC. UNION EMPLOYEES' PENSION PLAN

EIN# 23-1916269

PLAN # 002

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)(Continued)

DECEMBER 9 , 2014

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	Cost	Current Value
	<u>Bonds:</u>			
	Totals - brought forward		\$ 9,354,412	\$ 10,593,592
	Oracle Corp NT	Fixed Income, 2.375%, Mat 1/15/2019	91,733	91,456
	Time Warner Cable Inc Sr NT	Fixed Income, 8.25%, Mat 04/01/2019	30,961	30,678
	US Bancorp Mtns Bk Ent Fr	Fixed Income, 1.95%, Mat 11/15/2018	80,678	80,262
	Verizon Communications Inc	Fixed Income, 6.35%, Mat 04/01/2019	76,625	75,430
	Ameriprise Finl Inc Sr NT	Fixed Income, 4.00%, Mat 10/15/2023	94,527	95,048
	Apple Inc NT	Fixed Income, 2.40%, Mat 5/3/2023	216,450	222,587
	Avis Budget Rental Fdg Ser 2014 1 Cl C	Fixed Income, 3.75%, Mat 7/20/2020	335,852	337,599
	Bank Amer Fdg Corp Sr NT	Fixed Income, 5.625%, Mat 7/1/2020	264,317	262,101
	Bank Amer Fdg Corp Sr NT L	Fixed Income, 5.875%, Mat 1/5/2021	81,370	81,085
	Berkshire Hathaway Fin Corp Gtd Sr	Fixed Income, 4.25%, Mat 1/15/2021	154,465	154,185
	Berkshire Hathaway Inc Del Sr NT	Fixed Income, 3.00%, Mat 2/11/2023	154,995	156,070
	EMC Corp Mass NT	Fixed Income, 3.375%, Mat 6/1/2023	151,520	149,079
	Ebay Inc Sr NT	Fixed Income, 2.60%, Mat 7/15/2022	193,318	188,098
	Fluor Corp New Sr NT	Fixed Income, 3.375%, Mat 9/15/2021	76,899	76,388
	Ford Motor Credit Co LLC NT	Fixed Income, 5.875%, Mat 8/2/2021	98,798	98,422
	Franklin Res Inc Sr NT	Fixed Income, 2.80%, Mat 9/15/2022	138,919	138,558
	General Elec Cap Corp MTN Sr Nt A	Fixed Income, 4.625%, Mat 1/7/2021	189,096	189,676
	Goldman Sachs Group Inc Medium Term	Fixed Income, 5.375%, Mat 3/15/2020	254,378	252,419
	Google Inc Sr NT	Fixed Income, 3.375%, Mat 2/25/2024	91,249	93,472
	Home Depot Inc Sr NT	Fixed Income, 3.75%, Mat 2/15/2024	171,435	175,037
	JPMorgan Chase & Co Sr NT	Fixed Income, 4.25%, Mat 10/15/2020	156,800	156,040
	JPMorgan Chase & Co Sr NT	Fixed Income, 4.35%, Mat 8/15/2021	81,422	81,511
	Keycorp Medium Term Nts Sr NT	Fixed Income, 5.10%, Mat 3/24/2021	204,721	202,930
	Lowes Cos Inc Sr NT	Fixed Income, 3.80%, Mat 11/15/2021	239,509	241,232
	Mastercard Inc NT	Fixed Income, 3.375%, Mat 4/1/2024	150,387	153,930
	Medtronic Inc Sr NT	Fixed Income, 2.75%, Mat 4/1/2023	77,554	77,567
	Merck & Co Inc NT	Fixed Income, 2.40%, Mat 9/15/2022	76,774	77,786
	Metropolitan Life Global Fdg I Fr	Fixed Income, 3.00%, Mat 1/10/2023	163,060	164,304
	Microsoft Corp NT	Fixed Income, 3.625%, Mat 12/15/2023	189,290	191,480
	Midamerican Energy Co 1mtg Bd	Fixed Income, 3.50%, Mat 10/15/2024	71,841	72,183
	Morgan Stanley Sr NT	Fixed Income, 5.50%, Mat 1/26/2020	214,828	214,301
	Nbcuniversal Media LLC Sr NT	Fixed Income, 4.375%, Mat 4/1/2021	77,677	76,883
	Northrop Grumman Corp Sr NT	Fixed Income, 3.25%, Mat 8/1/2023	93,950	95,575
	Omnicom Group Inc Sr NT	Fixed Income, 3.625%, Mat 5/1/2022	153,053	153,080
	Santander Drive Auto Ser 2014 2 Cl D	Fixed Income, 2.76%, Mat 2/18/2020	207,931	204,187
	TJX Cos Inc New NT	Fixed Income, 2.50%, Mat 5/15/2023	95,919	96,681
	US Bancorp Mtns Bk Ent Sr NT	Fixed Income, 3.00%, Mat 3/15/2022	121,231	121,712
	United Technologies Corp NT	Fixed Income, 3.10%, Mat 6/1/2022	76,007	76,460
	Valley Natl Bancorp Sub Deb	Fixed Income, 5.125%, Mat 9/27/2023	79,969	81,087
	Wellpoint Inc NT	Fixed Income, 3.30%, Mat 1/15/2023	189,115	189,073
	Wyeth Sr NT	Fixed Income, 6.45%, Mat 2/1/2024	195,559	194,359
	AT&T Inc NT	Fixed Income, 4.35%, Mat 6/15/2045	164,512	161,798
	Amerada Hess Corp NT	Fixed Income, 7.30%, Mat 8/15/2031	130,506	127,188
	Amer Homes Ser 2014 SFR 1 Fltg Rate	Fixed Income, Mat 6/19/2031	230,000	220,460
	American Homes 4 Rent 2014-SFR3 Tr Single Family Rental	Fixed Income, 4.596%, Mat 12/17/2036	79,995	79,994
	American Homes 4 Rent 2014-SFR3 Tr Single Family Rental	Fixed Income, 5.04%, Mat 12/17/2036	89,994	89,993
	Amgen Inc Sr NT	Fixed Income, 5.15%, Mat 11/15/2041	242,712	245,081
	Totals - carried forward		\$ 16,156,313	\$ 17,388,117

See independent auditors' report.

CARDONE INDUSTRIES INC. UNION EMPLOYEES' PENSION PLAN

EIN# 23-1916269

PLAN # 002

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)(Continued)

DECEMBER 9 , 2014

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	Cost	Current Value
	<u>Bonds:</u>			
	Totals - brought forward		\$ 16,156,313	\$ 17,388,117
	Applied Matls Inc Sr NT	Fixed Income, 5.85%, Mat 6/15/2041	117,494	119,643
	CME Group Inc NT	Fixed Income, 5.30%, Mat 9/15/2043	328,358	349,282
	Comm Mtg Tr Ser 2014 UBS2 Cl D Fltg Rate	Fixed Income, Mat 3/12/2047	278,438	288,714
	Comm Mtg Tr Ser 2013 CCRE7 Cl D Fltg Rate	Fixed Income, Mat 3/12/2046	148,494	150,794
	Comm Mtg Ser 2014 CCRE17 Cl D Fltg Rate	Fixed Income, Mat 5/10/2047	206,284	212,436
	Csmc Tr 2014-Ice Coml Mtg Passthru CTF Cl C 144a Fltg Rate	Fixed Income, Mat 4/15/2027	350,000	350,072
	Csmc Tr 2014-Tiki Coml Mtg Passthru CTF Cl A 144a Fltg Rate	Fixed Income, Mat 9/15/2038	220,000	220,000
	Citigroup Inc	Fixed Income, 8.125%, Mat 7/15/2039	98,355	99,111
	Comcast Corp New Sr NT	Fixed Income, 4.25%, Mat 1/15/2033	281,985	288,318
	Conoco Inc Sr NT	Fixed Income, 6.95%, Mat 4/15/2029	184,497	180,087
	Consolidated Edison Co NY Inc 2014a	Fixed Income, 4.45%, Mat 3/15/2024	192,420	195,155
	Dbubs Mtg Tr Ser 2011 LC2 Cl D Fltg Rate	Fixed Income, Mat 7/12/2044	158,842	159,399
	Energy Transfer Ptnrs LP Sr NT	Fixed Income, 6.05%, Mat 06/01/2041	83,256	80,881
	Exelon Generation Co LLC Sr NT	Fixed Income, 6.25%, Mat 10/01/2039	188,811	188,874
	Fmr Corp Sr NT 144a	Fixed Income, 6.50%, Mat 12/14/2040	164,457	170,219
	General Electric Co CD	Fixed Income, 4.50%, Mat 3/11/2044	94,189	97,796
	General Elec Cap Corp Medium Term	Fixed Income, 6.75%, Mat 3/15/3032	100,828	100,471
	Georgia Pwr Co Sr NT 12a	Fixed Income, 4.30%, Mat 3/15/2042	160,251	164,818
	Hasbro Inc NT	Fixed Income, 6.35%, Mat 3/15/2040	117,381	119,642
	International Business Machs Corp	Fixed Income, 5.875%, Mat 11/29/2032	94,549	94,845
	JPMorgan Chase & Co Sub NT	Fixed Income, 5.625%, Mat 8/16/2043	94,509	99,172
	Jpmbb Coml Mtg Sec Tr Ser 2014 C19 Cl C Fltg Rate	Fixed Income, Mat 4/17/2047	335,601	347,859
	Johnson S C & Son Inc	Fixed Income, 4.80%, Mat 9/1/2040	167,226	175,187
	Kinder Morgan Energy Partners Sr NT	Fixed Income, 6.50%, Mat 9/1/2039	164,074	154,441
	Lilly Eli & Co NT	Fixed Income, 5.50%, Mat 3/15/2037	165,339	169,096
	Medtronic Inc Sr NT	Fixed Income, 4.00%, Mat 4/1/2043	96,337	93,943
	Memorial Sloan Kettering Cance Tx Bd 11a 144a	Fixed Income, 5.00%, Mat 7/1/2042	215,977	218,936
	Metlife Inc Sr NT	Fixed Income, 4.875%, Mat 11/13/2043	99,358	99,392
	Midamerican Energy Co 1mtg Bd	Fixed Income, 4.80%, Mat 9/15/2043	77,144	78,997
	Morgan Stanley Cap 1 Ser 2011 C2 Cl E Fltg Rate	Fixed Income, Mat 6/17/2044	219,253	222,616
	Northern Tr Corp Sub NT	Fixed Income, 3.95%, Mat 10/30/2025	77,984	78,071
	Northcorp Grumman Corp Sr NT	Fixed Income, 4.75%, Mat 6/1/2043	97,974	102,063
	Nucor Corp Sr NT	Fixed Income, 5.20%, Mat 8/01/2043	105,607	108,331
	Oracle Corp	Fixed Income, 6.50%, Mat 4/15/2038	189,935	191,567
	South Carolina Elec & Gas Co 1st Mtg	Fixed Income, 5.45%, Mat 2/1/2041	199,929	199,464
	3M Co Fr	Fixed Income, 3.875%, Mat 6/15/2044	144,646	152,658
	Time Warner Inc Deb	Fixed Income, 6.25%, Mat 3/29/2041	355,158	359,000
	United Parcel Sys Inc Sr NT	Fixed Income, 6.20%, Mat 1/15/2038	201,002	203,424
	United Technologies Corp NT	Fixed Income, 4.50%, Mat 6/1/2042	101,121	102,212
	Unitedhealth Group Inc NT	Fixed Income, 6.625%, Mat 11/15/2037	162,744	167,655
	Verizon Communications Inc NT	Fixed Income, 6.40%, Mat 9/15/2033	699,206	704,502
	Wal-Mart Stores Inc Sr NT	Fixed Income, 4.75%, Mat 10/02/2043	164,824	174,443
	America Movil Sab De Cv Gtd Sr	Fixed Income, 2.375%, Mat 9/08/2016	77,434	76,436
	Bnp Paribas/Bnp Paribas Us Medium Term NT Program LLC	Fixed Income, 2.40%, Mat 12/12/2018	192,037	192,020
	Bank Nova Scotia B C Sr NT	Fixed Income, 2.05%, Mat 10/30/2018	170,646	170,369
	Lyondellbasell Industries NV Sr NT	Fixed Income, 5.00%, Mat 4/15/2019	117,307	115,228
	Statoilhydro Asa	Fixed Income, 5.25%, Mat 4/15/2019	86,174	84,648
	Totals - carried forward		\$ 24,503,748	\$ 25,860,404

See independent auditors' report.

CARDONE INDUSTRIES INC. UNION EMPLOYEES' PENSION PLAN

EIN# 23-1916269

PLAN # 002

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)(Continued)
DECEMBER 9 , 2014

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	Cost	Current Value
	<u>Bonds:</u>			
	Totals - brought forward		\$ 24,503,748	\$ 25,860,404
	Bhp Billiton Fin USA Ltd Gtd Sr	Fixed Income, 3.25%, Mat 11/21/2021	198,838	199,766
	BP Cap Mkts P L C NT	Fixed Income, 2.75%, Mat 5/10/2023	191,414	190,285
	Cnooc Fin 2013 LTD Sr NT	Fixed Income, 3.00%, Mat 5/9/2023	145,666	146,797
	France Telecom Sa NT	Fixed Income, 4.125%, Mat 9/14/2021	96,414	96,399
	Rio Tinto Fin USA Ltd Gtd NT	Fixed Income, 4.125%, Mat 5/20/2021	217,016	210,120
	Edf S A NT 144a	Fixed Income, 6.95%, Mat 1/26/2039	172,411	174,582
	France Telecom Sa CR Sen Gbl	Fixed Income, 8.50%, Mat 3/1/2031	74,970	75,361
	Siemens Financieringsmaatschappij NV Gtd NT 144a	Fixed Income, 6.125%, Mat 8/17/2026	155,662	156,596
	Statoil Asa NT	Fixed Income, 3.95%, Mat 5/15/2043	95,259	97,906
			<u>\$ 25,851,398</u>	<u>\$ 27,208,216</u>

*Party-in-interest

See independent auditors' report.

Cardone Industries, Inc.
Union Employees' Pension Plan
EIN 23-1916269 PN 002

Schedule SB Line 26 – Schedule of Active Participant Data

Active Participants Age/Service Grid

	Years of Credited Service										
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up	Total
Age	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.
Under 25	0	17	2	0	0	0	0	0	0	0	19
25 to 29	0	31	25	2	0	0	0	0	0	0	58
30 to 34	0	47	28	15	8	0	0	0	0	0	98
35 to 39	0	44	42	30	24	3	0	0	0	0	143
40 to 44	0	56	62	58	54	26	3	0	0	0	259
45 to 49	0	40	82	63	68	43	27	1	0	0	324
50 to 54	0	36	68	59	84	50	41	7	1	0	346
55 to 59	0	19	71	69	78	45	29	15	3	0	329
60 to 64	0	2	26	50	63	42	25	17	1	1	227
65 to 69	0	1	13	8	13	15	5	0	3	0	58
70 & up	0	0	1	1	1	2	2	1	1	0	9
Total	0	293	420	355	393	226	132	41	9	1	1870

Cardone Industries, Inc.
Union Employees' Pension Plan
EIN 23-1916269 PN 002

Schedule SB Line 23 – Statement of Actuarial Assumptions/Methods

Methods and Assumptions

Methods	
Valuation Date	December 10 th
Actuarial Cost Method	Unit credit.
Actuarial Value of Assets	Adjusted Market Value of Assets minus a decreasing fraction of the investment gain or loss for each of the two immediately preceding plan years, but it cannot be less than 90% nor more than 110% of the Adjusted Market Value of Assets. The expected investment return for a plan year is based on the lesser of the expected rate of return on plan assets (currently 7% per year) or the applicable statutory interest rate for the year. This method is specified in IRS Notice 2009-22 using a 24-month averaging period.
Economic Assumptions	
Interest Rates	<p>For minimum funding purposes: Segment interest rates (based on statutory rates in effect four months prior to beginning of Plan Year) of 4.94% per year for first 5 years, 6.15% per year for next 15 years, and 6.76% per year thereafter. The equivalent Effective Interest Rate is 6.40% per year.</p> <p>For maximum tax deductible purposes: 1.39% for the first 5 years, 4.05% per year for the next 15 years and 5.08% thereafter.</p> <p>For FASB ASC Topic 960 purposes: Discount rate of 4.53% per year.</p> <p>For PBGC premium purposes: 1.39% per year for first 5 years, 4.05% per year for next 15 years, and 5.08% per year thereafter. The PBGC Alternative Rule was adopted for the 2008 plan year and continues until at least the 2013 plan year.</p>
Other Assumptions	
Mortality	<p>For minimum funding and PBGC premium purposes: Statutory static tables for 2013 based on RP-2000 Mortality Table projected to anticipate greater future longevity, with separate rates for non-annuitants and annuitants.</p> <p>For FASB ASC Topic 960 purposes: RP-2000 Mortality Table projected with Scale AA on a generational basis, with employee rates before termination and healthy annuitant rates after termination. As a generational table, it reflects mortality improvements both before and after the measurement date.</p>

Assumption & Method Changes:

- The statutory mortality table was updated for one additional year of assumed mortality improvement and the 3-tiered statutory segment rates changed from 5.54%, 6.85% and 7.52% to 4.94%, 6.15% and 6.76%, respectively based on elections made by the Plan Sponsor and the Pension Protection Act of 2006. The retirement and termination rates have been revised based on an experience study.
- The FASB ASC Topic 960 discount rate changed from 5.18% per year to 4.53% per year.

Methods and Assumptions (continued)

Turnover	<p>Annual rates shown below:</p> <table> <tr> <th><u>Years of Employment</u></th><th><u>Rate</u></th></tr> <tr> <td>0</td><td>10.0%</td></tr> <tr> <td>1 - 2</td><td>7.0%</td></tr> <tr> <td>3 - 5</td><td>12.0%</td></tr> <tr> <td>6</td><td>16.0%</td></tr> <tr> <td>7 - 8</td><td>15.0%</td></tr> <tr> <td>9</td><td>14.0%</td></tr> <tr> <td>10</td><td>13.0%</td></tr> <tr> <td>11</td><td>10.0%</td></tr> <tr> <td>12 or more</td><td>9.0%</td></tr> </table>	<u>Years of Employment</u>	<u>Rate</u>	0	10.0%	1 - 2	7.0%	3 - 5	12.0%	6	16.0%	7 - 8	15.0%	9	14.0%	10	13.0%	11	10.0%	12 or more	9.0%
<u>Years of Employment</u>	<u>Rate</u>																				
0	10.0%																				
1 - 2	7.0%																				
3 - 5	12.0%																				
6	16.0%																				
7 - 8	15.0%																				
9	14.0%																				
10	13.0%																				
11	10.0%																				
12 or more	9.0%																				
Retirement Age	<p>Annual rates shown below for active participants who are eligible to retire:</p> <table> <tr> <th><u>Age</u></th><th><u>Retirement Rate</u></th></tr> <tr> <td>55 - 61</td><td>1%</td></tr> <tr> <td>62 - 64</td><td>3%</td></tr> <tr> <td>65</td><td>35%</td></tr> <tr> <td>66 - 69</td><td>45%</td></tr> <tr> <td>70</td><td>100%</td></tr> </table> <p>The assumed retirement age is 65, or attained age if later, for terminated vested and disabled participants.</p>	<u>Age</u>	<u>Retirement Rate</u>	55 - 61	1%	62 - 64	3%	65	35%	66 - 69	45%	70	100%								
<u>Age</u>	<u>Retirement Rate</u>																				
55 - 61	1%																				
62 - 64	3%																				
65	35%																				
66 - 69	45%																				
70	100%																				
Disability Rates	<table> <tr> <th><u>Age</u></th><th><u>Disability Rate</u></th></tr> <tr> <td>18 - 39</td><td>.097%</td></tr> <tr> <td>40 - 44</td><td>.259%</td></tr> <tr> <td>45 - 49</td><td>.378%</td></tr> <tr> <td>50 - 54</td><td>.631%</td></tr> <tr> <td>55 - 59</td><td>1.10%</td></tr> </table>	<u>Age</u>	<u>Disability Rate</u>	18 - 39	.097%	40 - 44	.259%	45 - 49	.378%	50 - 54	.631%	55 - 59	1.10%								
<u>Age</u>	<u>Disability Rate</u>																				
18 - 39	.097%																				
40 - 44	.259%																				
45 - 49	.378%																				
50 - 54	.631%																				
55 - 59	1.10%																				
Form of Payment	Life annuity, unless the lump sum value is less than \$5,000 at termination or retirement. Lump sums are determined using the plan basis in effect for the 2013 plan year.																				
Marital Characteristics	<p>For participants not in pay status: 100% of participants are assumed to be married, with males 3 years older than females.</p> <p>For participants in pay status: Actual birth dates of spouses are included in the census data, where relevant.</p>																				
Expense Load	\$120,000																				
Benefits Not Valued	All benefits are valued.																				

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

**Single-Employer Defined Benefit Plan
Actuarial Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

► **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2013**This Form is Open to Public
Inspection**

For calendar plan year 2013 or fiscal plan year beginning 12/10/2013 and ending 12/09/2014

► **Round off amounts to nearest dollar.**► **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

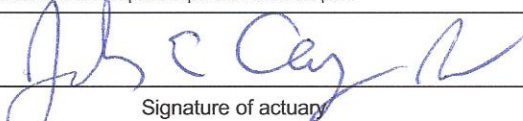
A Name of plan CARDONE INDUSTRIES, INC. UNION EMPLOYEES' PENSION PLAN		B Three-digit plan number (PN) ► 002
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF CARDONE INDUSTRIES, INC.		D Employer Identification Number (EIN) 23-1916269
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500		

Part I Basic Information

1 Enter the valuation date: Month <u>12</u> Day <u>10</u> Year <u>2013</u>	
2 Assets:	
a Market value	2a 59,080,895
b Actuarial value	2b 56,301,185
3 Funding target/participant count breakdown:	
	(1) Number of participants (2) Funding Target
a For retired participants and beneficiaries receiving payment	3a 660 14,504,493
b For terminated vested participants	3b 1,541 17,345,416
c For active participants:	
(1) Non-vested benefits	3c(1) 2,351,041
(2) Vested benefits	3c(2) 19,271,268
(3) Total active	3c(3) 1,870 21,622,309
d Total	3d 4,071 53,472,218
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐	
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b
5 Effective interest rate	5 6.40 %
6 Target normal cost	6 120,000

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

**SIGN
HERE**

Signature of actuary

Joseph E. Casey, Jr.

Type or print name of actuary

Pension Live, LLC

Firm name

66 North Street

Medfield

MA 02052-1657

Address of the firm

09/21/2015

Date

14-04549

Most recent enrollment number

(508) 242-9860

Telephone number (including area code)

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2013
v. 130118

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	2,073,849	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	2,073,849	0
10 Interest on line 9 using prior year's actual return of <u>14.50</u> %	300,708	
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		4,923,624
b Interest on (a) using prior year's effective interest rate of <u>7.12</u> % except as otherwise provided (see instructions)		350,562
c Total available at beginning of current plan year to add to prefunding balance		5,274,186
d Portion of (c) to be added to prefunding balance		
12 Other reductions in balances due to elections or deemed elections		
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	2,374,557	0

Part III Funding Percentages

14 Funding target attainment percentage	14	100.84 %
15 Adjusted funding target attainment percentage	15	105.29 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	106.71 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls**18** Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
Totals ▶			18(b)	0	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contributions from prior years	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	0

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year?	☐ Yes ☒ No
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☐ Yes ☐ No
c If line 20a is "Yes," see instructions and complete the following table as applicable:	

Liquidity shortfall as of end of quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:			
a Segment rates:	1st segment: 4.94 %	2nd segment: 6.15 %	3rd segment: 6.76 %
			☐ N/A, full yield curve used
b Applicable month (enter code).....			21b 4
22 Weighted average retirement age			22 66
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute			

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.		☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.		☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.		☒ Yes ☐ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....	27	

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6).....		31a	120,000
b Excess assets, if applicable, but not greater than line 31a		31b	120,000
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment.....			
b Waiver amortization installment			
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount		33	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) ..		34	0
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....			0
36 Additional cash requirement (line 34 minus line 35).....		36	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....		37	0
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)		38a	0
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances		38b	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)		39	0
40 Unpaid minimum required contributions for all years		40	0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected		☐ 2 plus 7 years	☐ 15 years
b Eligible plan year(s) for which the election in line 41a was made		☐ 2008	☐ 2009 ☐ 2010 ☐ 2011
42 Amount of acceleration adjustment		42	
43 Excess installment acceleration amount to be carried over to future plan years		43	

Cardone Industries, Inc.
Union Employees' Pension Plan

EIN 23-1916269 PN 002

Schedule SB Part V – Summary of Plan Provisions

Plan Name	Cardone Industries, Inc. Union Employees' Pension Plan
Effective Date	December 10, 1982 Amended and Restated: December 10, 2000 Latest Amendment: December 31, 2013
Plan Year	December 10 th to December 9th.
Fiscal Year	The 12-month period beginning January 1 and ending December 31.
Participation	Any employee who is a member of Service Employees' International Union Local 252 who has completed at least 1,000 hours of service during the 12-month period beginning with the employee's date of hire. Eligible employees become participants on the first of the month coincident with or next following the date they become eligible. Effective January 1, 2014, there will be no new entrants into the plan.
Years of Service	A Year of Service is credited for each calendar year in which 1,000 or more hours of service are credited to a union employee. No partial Years of Service are credited.
Vesting Service	A year of Vesting Service is credited for each calendar year in which 1,000 or more hours of service are credited to an employee.
Normal Retirement Date	The first day of the month coincident with or next following the attainment of age 65.
Early Retirement Date	The first day of the month coincident with or next following the attainment of age 55 and completion of 15 years of Vesting Service.
Deferred Retirement Date	The first day of the month coincident with or next following the date of termination of service if it occurs after the Normal Retirement Date.
Pre-retirement Death Benefit Eligibility	Surviving spouses of participants with a vested Accrued Benefit who die before commencement of payments.
Disability Retirement Date	The first day of the month following termination of service due to a total and permanent disability that continued for six months.
Termination Date	The date of termination of service other than for reasons of retirement, death, or disability.
Accrued Benefit	The Accrued Benefit for each Participant is determined using the same formula which is used to compute such Participant's Normal Retirement Benefit, taking into account the Participant's Years of Service through the date of determination.
Actuarial Equivalent	Equality in value such that the present value of the amount under any form of payment is essentially the same as the present value of the amount under the normal form of annuity payment for single participants. For purposes other than determining lump sum amounts, Actuarially Equivalent factors are based on the 1971 Group Annuity Mortality Table for Males projected by Scale E to 1976, with a one-year age setback and a 7.5% per year interest rate. For purposes of determining lump sum amounts, Actuarially Equivalent factors are based on the applicable mortality table specified in IRS Notice 2008-85 for the Plan Year of distribution and the statutory three-tier segment interest rates in effect for the first month prior to the beginning of the Plan Year of distribution.

Summary of Plan Provisions (continued)

Normal Retirement Benefit	For retirement on or after December 10, 1988, a monthly benefit of \$13.50 multiplied by Years of Service. For retirement on or after December 10, 1986 but prior to December 10, 1988, a monthly benefit of \$9.50 multiplied by Years of Service. For retirement prior to December 10, 1986, a monthly benefit of \$7.00 multiplied by Years of Service. All benefits are frozen as of December 31, 2013														
Early Retirement Benefit	The Accrued Benefit, reduced by 1/180 for each of the first 60 months and by 1/360 for each of the next 60 months by which the Early Retirement Date precedes the Normal Retirement Date.														
Deferred Retirement Benefit	The greater of (a) the Accrued Benefit determined as of the Deferred Retirement Date or (b) the Accrued Benefit determined as of the Normal Retirement Date and actuarially increased to the Deferred Retirement Date.														
Preretirement Death Benefit	50% of the benefit which would have been payable had the deceased participant instead terminated service on the date of death, survived to his earliest possible benefit commencement date, elected a joint and 50% survivor annuity, and died on that same date.														
Disability Retirement Benefit	The Actuarial Equivalent of the Accrued Benefit.														
Termination Benefit	<p>The Accrued Benefit, multiplied by the Vested Percentage below, payable at the Normal Retirement Date, or received according to Early Retirement.</p> <table> <tr> <th>Years of Vesting Service</th><th>Vested Percent</th></tr> <tr> <td>Less than 3</td><td>0%</td></tr> <tr> <td>3</td><td>20%</td></tr> <tr> <td>4</td><td>40%</td></tr> <tr> <td>5</td><td>60%</td></tr> <tr> <td>6</td><td>80%</td></tr> <tr> <td>7 or more</td><td>100%</td></tr> </table>	Years of Vesting Service	Vested Percent	Less than 3	0%	3	20%	4	40%	5	60%	6	80%	7 or more	100%
Years of Vesting Service	Vested Percent														
Less than 3	0%														
3	20%														
4	40%														
5	60%														
6	80%														
7 or more	100%														
Normal Form of Payment	Life annuity if single, Actuarially Equivalent joint and 50% survivor annuity if married.														
Optional Forms of Payment	<ol style="list-style-type: none"> 1. Life annuity 2. Actuarially Equivalent life annuity with 5 or 10 years certain 3. Actuarially Equivalent joint and 50%, 66-2/3% or 100% survivor annuity 														
Lump Sum Payment	Payable if the Actuarially Equivalent present value of the vested Accrued Benefit is \$5,000 or less.														

Changes from prior year

Plan benefit accruals are frozen as of 12/31/2013. There will be no new participants in the plan after this date. The IRC Section 401(a)(17) pay limit increased from \$250,000 to \$255,000 for 2013. The IRC Section 415(b) benefit limit increased from \$200,000 to \$205,000 for 2013.

CARDONE INDUSTRIES INC. UNION EMPLOYEES' PENSION PLAN

EIN# 23-1916269

PLAN # 002

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

DECEMBER 9 , 2014

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	Cost	Current Value
	<u>Money Market Funds:</u>			
*	BMO Prime Money Market	Interest Bearing Cash	\$ 271,211	\$ 271,211
			<u>271,211</u>	<u>271,211</u>
	<u>Mutual Funds:</u>			
	Undiscovered Managers Behavioral Value Fund	Mutual Fund, 53,207.489 shares	2,886,984	3,015,800
	Nuveen Mid Cap Growth Opportunities Fund Class 1	Mutual Fund, 80,088.393 shares	3,982,796	4,349,601
	Aston/Herndon Large Cap Value Fund Class 1	Mutual Fund, 334,558.324 shares	4,918,007	4,867,824
	Schwab Fundamental US Large Co Index	Mutual Fund, 283,230.095 shares	4,098,339	4,483,532
	Vanguard Institutional Index Fund	Mutual Fund, 17,768.690 shares	3,035,341	3,368,588
	American Europacific Growth Fund Class R6	Mutual Fund, 95,082.594 shares	4,644,785	4,646,686
	Harbor International Fund Inst	Mutual Fund, 64,448.241 shares	4,644,785	4,403,105
	Henderson Intl Opportunities Fund Class 1	Mutual Fund, 175,142.713 shares	4,644,785	4,735,859
			<u>32,855,822</u>	<u>33,870,995</u>
	<u>Bonds:</u>			
	Government Natl Mtg Assn Gtd Remic Passthru Secs Ser 2014	Fixed Income, 2.546%, Mat 6/16/2053	178,471	180,759
	US Treasury Bond	Fixed Income, 3.625%, Mat 2/15/2044	1,348,388	1,484,003
	US Treasury Bond	Fixed Income, 3.375%, Mat 5/15/2044	31,744	33,007
	US Treasury Sec Stripped Int Pmt	Fixed Income, Mat 2/15/2008	538,598	648,733
	US Treasury Sec Striped Int Pmt	Fixed Income, Mat 2/15/2034	615,677	724,777
	US Treasury Sec Stripped Int Pmt Tint	Fixed Income, Mat 2/15/2035	672,677	798,357
	US Treasury Sec Stripped Int Pmt Tint	Fixed Income, Mat 2/15/2036	530,735	635,123
	US Treasury Sec Stripped Int Pmt Tint	Fixed Income, Mat 2/15/2037	580,510	700,168
	US Treasury Sec Stripped Int Pmt Tint	Fixed Income, Mat 2/15/2039	492,476	593,977
	US Treasury Sec Stripped Int Pmt Tint	Fixed Income, Mat 2/15/2040	458,896	552,227
	US Treasury Sec Stripped Int Pmt Int	Fixed Income, Mat 2/15/2041	412,511	502,293
	US Treasury Sec Stripped Int Pmt Int	Fixed Income, Mat 2/15/2042	373,780	457,377
	US Treasury Sec Stripped Int Pmt Int	Fixed Income, Mat 2/15/2043	875,783	1,037,755
	California ST GO Bds Taxable	Fixed Income, 7.30%, Mat 10/1/2039	183,041	196,017
	New Jersey ST Trans Tr Fd Aut Transportation System Bd 2010	Fixed Income, 6.561%, Mat 12/15/2040	102,360	104,670
	New York NY GO Bds 2010 D Taxable	Fixed Income, 5.985%, Mat 12/01/2036	141,738	145,726
	New York ST Dorm Auth ST Pers Income Tax Rev Bds 2010h	Fixed Income, 5.389%, Mat 3/15/2040	60,729	61,866
	Pennsylvania ST GO Bds 1st SE Taxable	Fixed Income, 4.65%, Mat 2/15/2026	76,380	78,334
	AT&T Inc Sr NT	Fixed Income, 2.30%, Mat 3/11/2019	75,617	74,995
	Bank Amer Fdg Corp	Fixed Income, 5.65%, Mat 05/01/2018	100,751	100,133
	Bank New York MTN Bk Ent Fr	Fixed Income, 2.10%, Mat 1/15/2019	95,774	95,413
	Bear Stearns Cos Inc	Fixed Income, 7.25%, Mat 2/1/2018	154,903	150,722
	Carolina Pwr & LT Co 1st Mtg	Fixed Income, 5.30%, Mat 1/15/2019	125,806	123,862
	Cisco Sys Inc Sr NT	Fixed Income, 4.95%, Mat 2/15/2019	85,283	83,782
	Duke Energy Corp New Sr NT	Fixed Income, 2.10%, Mat 6/15/2018	75,968	75,809
	Exeter Auto Recv Tr Ser 2014 1 Class C	Fixed Income, 3.57%, Mat 7/15/2019	386,945	378,777
	Freeport McMoran Copper & Gold Sr NT	Fixed Income, 2.375%, Mat 3/15/2018	86,272	84,559
	Glencore Fdg LLC Sr Gbl 144a	Fixed Income, 1.70%, Mat 5/27/2016	236,527	235,778
	Goldman Sachs Group Inc	Fixed Income, 6.15%, Mat 4/1/2018	164,687	163,459
	Nyse Euronext NT	Fixed Income, 2.00%, Mat 10/05/2017	91,385	91,134
	Totals - carried forward		<u>\$ 9,354,412</u>	<u>\$ 10,593,592</u>

See independent auditors' report.

CARDONE INDUSTRIES INC. UNION EMPLOYEES' PENSION PLAN

EIN# 23-1916269

PLAN # 002

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)(Continued)

DECEMBER 9 , 2014

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	Cost	Current Value
	<u>Bonds:</u>			
	Totals - brought forward		\$ 9,354,412	\$ 10,593,592
	Oracle Corp NT	Fixed Income, 2.375%, Mat 1/15/2019	91,733	91,456
	Time Warner Cable Inc Sr NT	Fixed Income, 8.25%, Mat 04/01/2019	30,961	30,678
	US Bancorp Mtns Bk Ent Fr	Fixed Income, 1.95%, Mat 11/15/2018	80,678	80,262
	Verizon Communications Inc	Fixed Income, 6.35%, Mat 04/01/2019	76,625	75,430
	Ameriprise Finl Inc Sr NT	Fixed Income, 4.00%, Mat 10/15/2023	94,527	95,048
	Apple Inc NT	Fixed Income, 2.40%, Mat 5/3/2023	216,450	222,587
	Avis Budget Rental Fdg Ser 2014 1 Cl C	Fixed Income, 3.75%, Mat 7/20/2020	335,852	337,599
	Bank Amer Fdg Corp Sr NT	Fixed Income, 5.625%, Mat 7/1/2020	264,317	262,101
	Bank Amer Fdg Corp Sr NT L	Fixed Income, 5.875%, Mat 1/5/2021	81,370	81,085
	Berkshire Hathaway Fin Corp Gtd Sr	Fixed Income, 4.25%, Mat 1/15/2021	154,465	154,185
	Berkshire Hathaway Inc Del Sr NT	Fixed Income, 3.00%, Mat 2/11/2023	154,995	156,070
	EMC Corp Mass NT	Fixed Income, 3.375%, Mat 6/1/2023	151,520	149,079
	Ebay Inc Sr NT	Fixed Income, 2.60%, Mat 7/15/2022	193,318	188,098
	Fluor Corp New Sr NT	Fixed Income, 3.375%, Mat 9/15/2021	76,899	76,388
	Ford Motor Credit Co LLC NT	Fixed Income, 5.875%, Mat 8/2/2021	98,798	98,422
	Franklin Res Inc Sr NT	Fixed Income, 2.80%, Mat 9/15/2022	138,919	138,558
	General Elec Cap Corp MTN Sr Nt A	Fixed Income, 4.625%, Mat 1/7/2021	189,096	189,676
	Goldman Sachs Group Inc Medium Term	Fixed Income, 5.375%, Mat 3/15/2020	254,378	252,419
	Google Inc Sr NT	Fixed Income, 3.375%, Mat 2/25/2024	91,249	93,472
	Home Depot Inc Sr NT	Fixed Income, 3.75%, Mat 2/15/2024	171,435	175,037
	JPMorgan Chase & Co Sr NT	Fixed Income, 4.25%, Mat 10/15/2020	156,800	156,040
	JPMorgan Chase & Co Sr NT	Fixed Income, 4.35%, Mat 8/15/2021	81,422	81,511
	Keycorp Medium Term Nts Sr NT	Fixed Income, 5.10%, Mat 3/24/2021	204,721	202,930
	Lowes Cos Inc Sr NT	Fixed Income, 3.80%, Mat 11/15/2021	239,509	241,232
	Mastercard Inc NT	Fixed Income, 3.375%, Mat 4/1/2024	150,387	153,930
	Medtronic Inc Sr NT	Fixed Income, 2.75%, Mat 4/1/2023	77,554	77,567
	Merck & Co Inc NT	Fixed Income, 2.40%, Mat 9/15/2022	76,774	77,786
	Metropolitan Life Global Fdg I Fr	Fixed Income, 3.00%, Mat 1/10/2023	163,060	164,304
	Microsoft Corp NT	Fixed Income, 3.625%, Mat 12/15/2023	189,290	191,480
	Midamerican Energy Co 1mtg Bd	Fixed Income, 3.50%, Mat 10/15/2024	71,841	72,183
	Morgan Stanley Sr NT	Fixed Income, 5.50%, Mat 1/26/2020	214,828	214,301
	Nbcuniversal Media LLC Sr NT	Fixed Income, 4.375%, Mat 4/1/2021	77,677	76,883
	Northrop Grumman Corp Sr NT	Fixed Income, 3.25%, Mat 8/1/2023	93,950	95,575
	Omnicom Group Inc Sr NT	Fixed Income, 3.625%, Mat 5/1/2022	153,053	153,080
	Santander Drive Auto Ser 2014 2 Cl D	Fixed Income, 2.76%, Mat 2/18/2020	207,931	204,187
	TJX Cos Inc New NT	Fixed Income, 2.50%, Mat 5/15/2023	95,919	96,681
	US Bancorp Mtns Bk Ent Sr NT	Fixed Income, 3.00%, Mat 3/15/2022	121,231	121,712
	United Technologies Corp NT	Fixed Income, 3.10%, Mat 6/1/2022	76,007	76,460
	Valley Natl Bancorp Sub Deb	Fixed Income, 5.125%, Mat 9/27/2023	79,969	81,087
	Wellpoint Inc NT	Fixed Income, 3.30%, Mat 1/15/2023	189,115	189,073
	Wyeth Sr NT	Fixed Income, 6.45%, Mat 2/1/2024	195,559	194,359
	AT&T Inc NT	Fixed Income, 4.35%, Mat 6/15/2045	164,512	161,798
	Amerada Hess Corp NT	Fixed Income, 7.30%, Mat 8/15/2031	130,506	127,188
	Amer Homes Ser 2014 SFR 1 Fltg Rate	Fixed Income, Mat 6/19/2031	230,000	220,460
	American Homes 4 Rent 2014-SFR3 Tr Single Family Rental	Fixed Income, 4.596%, Mat 12/17/2036	79,995	79,994
	American Homes 4 Rent 2014-SFR3 Tr Single Family Rental	Fixed Income, 5.04%, Mat 12/17/2036	89,994	89,993
	Amgen Inc Sr NT	Fixed Income, 5.15%, Mat 11/15/2041	242,712	245,081
	Totals - carried forward		\$ 16,156,313	\$ 17,388,117

See independent auditors' report.

CARDONE INDUSTRIES INC. UNION EMPLOYEES' PENSION PLAN

EIN# 23-1916269

PLAN # 002

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)(Continued)

DECEMBER 9 , 2014

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	Cost	Current Value
	<u>Bonds:</u>			
	Totals - brought forward		\$ 16,156,313	\$ 17,388,117
	Applied Matls Inc Sr NT	Fixed Income, 5.85%, Mat 6/15/2041	117,494	119,643
	CME Group Inc NT	Fixed Income, 5.30%, Mat 9/15/2043	328,358	349,282
	Comm Mtg Tr Ser 2014 UBS2 Cl D Fltg Rate	Fixed Income, Mat 3/12/2047	278,438	288,714
	Comm Mtg Tr Ser 2013 CCRE7 Cl D Fltg Rate	Fixed Income, Mat 3/12/2046	148,494	150,794
	Comm Mtg Ser 2014 CCRE17 Cl D Fltg Rate	Fixed Income, Mat 5/10/2047	206,284	212,436
	Csmc Tr 2014-Ice Coml Mtg Passthru CTF Cl C 144a Fltg Rate	Fixed Income, Mat 4/15/2027	350,000	350,072
	Csmc Tr 2014-Tiki Coml Mtg Passthru CTF Cl A 144a Fltg Rate	Fixed Income, Mat 9/15/2038	220,000	220,000
	Citigroup Inc	Fixed Income, 8.125%, Mat 7/15/2039	98,355	99,111
	Comcast Corp New Sr NT	Fixed Income, 4.25%, Mat 1/15/2033	281,985	288,318
	Conoco Inc Sr NT	Fixed Income, 6.95%, Mat 4/15/2029	184,497	180,087
	Consolidated Edison Co NY Inc 2014a	Fixed Income, 4.45%, Mat 3/15/2024	192,420	195,155
	Dbubs Mtg Tr Ser 2011 LC2 Cl D Fltg Rate	Fixed Income, Mat 7/12/2044	158,842	159,399
	Energy Transfer Ptnrs LP Sr NT	Fixed Income, 6.05%, Mat 06/01/2041	83,256	80,881
	Exelon Generation Co LLC Sr NT	Fixed Income, 6.25%, Mat 10/01/2039	188,811	188,874
	Fmr Corp Sr NT 144a	Fixed Income, 6.50%, Mat 12/14/2040	164,457	170,219
	General Electric Co CD	Fixed Income, 4.50%, Mat 3/11/2044	94,189	97,796
	General Elec Cap Corp Medium Term	Fixed Income, 6.75%, Mat 3/15/3032	100,828	100,471
	Georgia Pwr Co Sr NT 12a	Fixed Income, 4.30%, Mat 3/15/2042	160,251	164,818
	Hasbro Inc NT	Fixed Income, 6.35%, Mat 3/15/2040	117,381	119,642
	International Business Machs Corp	Fixed Income, 5.875%, Mat 11/29/2032	94,549	94,845
	JPMorgan Chase & Co Sub NT	Fixed Income, 5.625%, Mat 8/16/2043	94,509	99,172
	Jpmbb Coml Mtg Sec Tr Ser 2014 C19 Cl C Fltg Rate	Fixed Income, Mat 4/17/2047	335,601	347,859
	Johnson S C & Son Inc	Fixed Income, 4.80%, Mat 9/1/2040	167,226	175,187
	Kinder Morgan Energy Partners Sr NT	Fixed Income, 6.50%, Mat 9/1/2039	164,074	154,441
	Lilly Eli & Co NT	Fixed Income, 5.50%, Mat 3/15/2037	165,339	169,096
	Medtronic Inc Sr NT	Fixed Income, 4.00%, Mat 4/1/2043	96,337	93,943
	Memorial Sloan Kettering Cance Tx Bd 11a 144a	Fixed Income, 5.00%, Mat 7/1/2042	215,977	218,936
	Metlife Inc Sr NT	Fixed Income, 4.875%, Mat 11/13/2043	99,358	99,392
	Midamerican Energy Co 1mtg Bd	Fixed Income, 4.80%, Mat 9/15/2043	77,144	78,997
	Morgan Stanley Cap 1 Ser 2011 C2 Cl E Fltg Rate	Fixed Income, Mat 6/17/2044	219,253	222,616
	Northern Tr Corp Sub NT	Fixed Income, 3.95%, Mat 10/30/2025	77,984	78,071
	Northcorp Grumman Corp Sr NT	Fixed Income, 4.75%, Mat 6/1/2043	97,974	102,063
	Nucor Corp Sr NT	Fixed Income, 5.20%, Mat 8/01/2043	105,607	108,331
	Oracle Corp	Fixed Income, 6.50%, Mat 4/15/2038	189,935	191,567
	South Carolina Elec & Gas Co 1st Mtg	Fixed Income, 5.45%, Mat 2/1/2041	199,929	199,464
	3M Co Fr	Fixed Income, 3.875%, Mat 6/15/2044	144,646	152,658
	Time Warner Inc Deb	Fixed Income, 6.25%, Mat 3/29/2041	355,158	359,000
	United Parcel Sys Inc Sr NT	Fixed Income, 6.20%, Mat 1/15/2038	201,002	203,424
	United Technologies Corp NT	Fixed Income, 4.50%, Mat 6/1/2042	101,121	102,212
	Unitedhealth Group Inc NT	Fixed Income, 6.625%, Mat 11/15/2037	162,744	167,655
	Verizon Communications Inc NT	Fixed Income, 6.40%, Mat 9/15/2033	699,206	704,502
	Wal-Mart Stores Inc Sr NT	Fixed Income, 4.75%, Mat 10/02/2043	164,824	174,443
	America Movil Sab De Cv Gtd Sr	Fixed Income, 2.375%, Mat 9/08/2016	77,434	76,436
	Bnp Paribas/Bnp Paribas Us Medium Term NT Program LLC	Fixed Income, 2.40%, Mat 12/12/2018	192,037	192,020
	Bank Nova Scotia B C Sr NT	Fixed Income, 2.05%, Mat 10/30/2018	170,646	170,369
	Lyondellbasell Industries NV Sr NT	Fixed Income, 5.00%, Mat 4/15/2019	117,307	115,228
	Statoilhydro Asa	Fixed Income, 5.25%, Mat 4/15/2019	86,174	84,648
	Totals - carried forward		\$ 24,503,748	\$ 25,860,404

See independent auditors' report.

CARDONE INDUSTRIES INC. UNION EMPLOYEES' PENSION PLAN

EIN# 23-1916269

PLAN # 002

**SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)(Continued)
DECEMBER 9 , 2014**

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	Cost	Current Value
	<u>Bonds:</u>			
	Totals - brought forward		\$ 24,503,748	\$ 25,860,404
	Bhp Billiton Fin USA Ltd Gtd Sr	Fixed Income, 3.25%, Mat 11/21/2021	198,838	199,766
	BP Cap Mkts P L C NT	Fixed Income, 2.75%, Mat 5/10/2023	191,414	190,285
	Cnooc Fin 2013 LTD Sr NT	Fixed Income, 3.00%, Mat 5/9/2023	145,666	146,797
	France Telecom Sa NT	Fixed Income, 4.125%, Mat 9/14/2021	96,414	96,399
	Rio Tinto Fin USA Ltd Gtd NT	Fixed Income, 4.125%, Mat 5/20/2021	217,016	210,120
	Edf S A NT 144a	Fixed Income, 6.95%, Mat 1/26/2039	172,411	174,582
	France Telecom Sa CR Sen Gbl	Fixed Income, 8.50%, Mat 3/1/2031	74,970	75,361
	Siemens Financieringsmaatschappij NV Gtd NT 144a	Fixed Income, 6.125%, Mat 8/17/2026	155,662	156,596
	Statoil Asa NT	Fixed Income, 3.95%, Mat 5/15/2043	95,259	97,906
			<u>\$ 25,851,398</u>	<u>\$ 27,208,216</u>

*Party-in-interest

See independent auditors' report.

Cardone Industries, Inc.
Union Employees' Pension Plan

EIN: 23-1916269 PN:002

Schedule SB Line 24: Change in Non-Prescribed Actuarial Assumptions

	Change for Current Year			Prior Year	
	<u>Years of Employment</u>	<u>Rate</u>		<u>Years of Employment</u>	<u>Rate</u>
Turnover	0	10.0%		0 - 2	15.0%
	1 - 2	7.0%		3	13.0%
	3 - 5	12.0%		4 - 5	11.0%
	6	16.0%		6	10.0%
	7 - 8	15.0%		7	8.5%
	9	14.0%		8	7.0%
	10	13.0%		9 - 10	6.5%
	11	10.0%		11	6.5%
	12 or more	9.0%		12 or more	4.5%

	Change for Current Year			Prior Year	
	<u>Age</u>	<u>Retirement Rate</u>		<u>Age</u>	<u>Retirement Rate</u>
Retirement Age	55 - 61	1%		55 - 61	5%
	62 - 64	3%		62	15%
	65	35%		63 - 64	10%
	66 - 69	45%		65	35%
	70	100%		66 - 69	25%
				70	100%

The above assumptions were changed to reflect actual experience and anticipated future experience.