

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 <div style="text-align: center; font-size: 1.5em; font-weight: bold;">2014</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2014 or fiscal plan year beginning <u>01/01/2014</u> and ending <u>12/31/2014</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or ☒ a single-employer plan; ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information				
1a Name of plan <u>XAVIENT INFORMATION SYSTEMS 401(K) PROFIT SHARING PLAN & TRUST</u>	<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;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>01/01/2005</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>01/01/2005</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>01/01/2005</u>					
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>XAVIENT INFORMATION SYSTEMS</u> <u>2125 N MADERA RD STE B</u> <u>SIMI VALLEY, CA 93065-7710</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>04-3779461</u></td> </tr> <tr> <td>2c Plan Sponsor's telephone number <u>805-955-4120</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>541511</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>04-3779461</u>	2c Plan Sponsor's telephone number <u>805-955-4120</u>	2d Business code (see instructions) <u>541511</u>	
2b Employer Identification Number (EIN) <u>04-3779461</u>					
2c Plan Sponsor's telephone number <u>805-955-4120</u>					
2d Business code (see instructions) <u>541511</u>					

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

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

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

3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN	
		3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:		4b EIN	
a Sponsor's name		4c PN	
5 Total number of participants at the beginning of the plan year		5	128
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).			
a(1) Total number of active participants at the beginning of the plan year		6a(1)	118
a(2) Total number of active participants at the end of the plan year		6a(2)	105
b Retired or separated participants receiving benefits		6b	0
c Other retired or separated participants entitled to future benefits.....		6c	9
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	114
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	0
f Total. Add lines 6d and 6e		6f	114
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g	52
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....		6h	0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....		7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2G 2J 2K 2T 3D			
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:			
9a Plan funding arrangement (check all that apply)		9b Plan benefit arrangement (check all that apply)	
(1) ☐ Insurance		(1) ☐ Insurance	
(2) ☐ Code section 412(e)(3) insurance contracts		(2) ☐ Code section 412(e)(3) insurance contracts	
(3) ☒ Trust		(3) ☒ Trust	
(4) ☐ General assets of the sponsor		(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		b General Schedules	
(1) ☒ R (Retirement Plan Information)		(1) ☒ H (Financial Information)	
(2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary		(2) ☐ I (Financial Information – Small Plan)	
(3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		(3) ☐ A (Insurance Information)	
		(4) ☒ C (Service Provider Information)	
		(5) ☐ D (DFE/Participating Plan Information)	
		(6) ☐ G (Financial Transaction Schedules)	

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

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

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

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

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

Receipt Confirmation Code _____

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

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

A Name of plan XAVIENT INFORMATION SYSTEMS 401(K) PROFIT SHARING PLAN & TRUST	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 XAVIENT INFORMATION SYSTEMS	D Employer Identification Number (EIN) 04-3779461

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 PAYCHEX SECURITIES CORPORATION 16-1486352

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

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

PAYCHEX, INC.

16-1124166

(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	RECORDKEEPER	834	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 ☐

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)

(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 ☐

(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> 2014 This Form is Open to Public Inspection
For calendar plan year 2014 or fiscal plan year beginning <u>01/01/2014</u> and ending <u>12/31/2014</u>		
A Name of plan <u>XAVIENT INFORMATION SYSTEMS 401(K) PROFIT SHARING PLAN & TRUST</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>XAVIENT INFORMATION SYSTEMS</u>	D Employer Identification Number (EIN) <u>04-3779461</u>	

Part I	Asset and Liability Statement		
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	0	0
(2) Participant contributions	1b(2)	0	0
(3) Other.....	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	66058	56342
(2) U.S. Government securities	1c(2)	0	
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	
(B) All other	1c(3)(B)	0	
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	
(B) Common.....	1c(4)(B)	0	
(5) Partnership/joint venture interests	1c(5)	0	
(6) Real estate (other than employer real property).....	1c(6)	0	
(7) Loans (other than to participants)	1c(7)	0	
(8) Participant loans.....	1c(8)	52988	70527
(9) Value of interest in common/collective trusts	1c(9)	0	0
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities.....	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	1220264	1433937
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)	0	0

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	0	
(2) Employer real property	1d(2)	0	
e Buildings and other property used in plan operation	1e	0	
f Total assets (add all amounts in lines 1a through 1e)	1f	1339310	1560806

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	1339310	1560806
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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)	172663	
(B) Participants	2a(1)(B)	271508	
(C) Others (including rollovers)	2a(1)(C)	0	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		444171
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	7	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	2841	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		2848
(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)	50447	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		50447
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		38076
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		535542

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	313202	
(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)		313202
f Corrective distributions (see instructions).....	2f		0
g Certain deemed distributions of participant loans (see instructions).....	2g		0
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)		
(2) Contract administrator fees.....	2i(2)	0	
(3) Investment advisory and management fees.....	2i(3)		
(4) Other.....	2i(4)	844	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		844
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		314046

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		221496
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: LHHA LLP

(2) EIN: 95-4468204

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		133931
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.)		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

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

<div>SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>		<div>Retirement Plan Information</div> <div>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).</div> <div>▶ File as an attachment to Form 5500.</div>		<div>OMB No. 1210-0110</div> <div>2014</div> <div>This Form is Open to Public Inspection.</div>	
For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014					
A Name of plan XAVIENT INFORMATION SYSTEMS 401(K) PROFIT SHARING PLAN & TRUST				B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 XAVIENT INFORMATION SYSTEMS				D Employer Identification Number (EIN) 04-3779461	
Part I Distributions					
All references to distributions relate only to payments of benefits during the plan year.					
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....				1	
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 16-1470238					
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.					
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....				3	
Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)					
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?..... ☐ Yes ☒ No ☐ N/A					
If the plan is a defined benefit plan, go to line 8.					
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____					
If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.					
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....				6a	
b Enter the amount contributed by the employer to the plan for this plan year.....				6b	
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)				6c	
If you completed line 6c, skip lines 8 and 9.					
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?..... ☐ Yes ☐ No ☐ N/A					
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?..... ☐ Yes ☐ No ☐ N/A					
Part III Amendments					
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☐ No					
Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.					
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ☐ Yes ☐ No					
11 a Does the ESOP hold any preferred stock? ☐ Yes ☐ No					
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)..... ☐ Yes ☐ No					
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?..... ☐ Yes ☐ No					
For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.				Schedule R (Form 5500) 2014 v. 140124	

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

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

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

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

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

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

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

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

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

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

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

- a** Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%
- b** Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more
- c** What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

**XAVIENT INFORMATION SYSTEMS
401(K) PROFIT SHARING PLAN AND TRUST**

FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

XAVIENT INFORMATION SYSTEMS
401(K) PROFIT SHARING PLAN AND TRUST
FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITORS' REPORT	1-2
FINANCIAL STATEMENTS:	
Statements of Net Assets Available for Benefits December 31, 2014 and 2013	3
Statement of Changes in Net Assets Available for Benefits Year Ended December 31, 2014	4
Notes to Financial Statements	5-13
SUPPLEMENTAL SCHEDULE	
Furnished pursuant to DOL Regulation Under ERISA:	
Schedule of Assets (Held at End of Year) Schedule H, Line 4i December 31, 2014	14

Lippe Hellie
Lippe, Hellie, Hoffer & Allison LLP
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Xavient Information Systems 401 (K) Profit Sharing Plan and Trust
Simi Valley, California

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Xavient Information Systems 401 (K) Profit Sharing Plan and Trust, which comprise the statement of net assets available for benefits as of December 31, 2014, and the related statement of changes in net assets available for benefits for the year ended December 31, 2014, 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.

Auditor's Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Mid-Atlantic Trust Company ("Mid-Atlantic"), the custodian of the Plan, as of December 31, 2014 and 2013 and for the year ended December 31, 2014, except for comparing the information with the related information included in the financial statements and supplemental schedule. The Plan administrator has informed us that Mid-Atlantic holds the Plan's investment assets and executes investment transactions as of December 31, 2014 and 2013. The Plan administrator has obtained a certification from the custodian as of December 31, 2014 and 2013 and for the year ended December 31, 2014, that the information provided to the Plan administrator by the custodian is complete and accurate.

Disclaimer of Opinion

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

Other Matters

The supplemental schedule titled Schedule H, Line 4i - Schedule of Assets (Held at End of Year), which is the responsibility of Plan management, is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule referred to above.

We have compiled the accompanying statement of net assets available for benefits of Xavient Information Systems 401(k) Profit Sharing Plan and Trust as of December 31, 2013. We have not audited or reviewed the accompanying statement of net assets available for benefits and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Plan management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist Plan management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements as of December 31, 2013.

Report on Form and Content in Compliance With DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedule as of and for the year ended December 31, 2014, other than that derived from the information certified by the custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.



LIPPE, HELLIE, HOFFER & ALLISON LLP
Woodland Hills, California

October 14, 2015

XAVIENT INFORMATION SYSTEMS
401(K) PROFIT SHARING PLAN AND TRUST
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2014 AND 2013

	<u>2014</u>	<u>2013</u> <u>(Compiled)</u>
ASSETS:		
Investments at fair value	\$ 1,490,279	\$ 1,286,322
Receivables:		
Notes receivable - Participants	70,527	52,988
Contributions receivable - Employee	20,428	-
Contributions receivable - Employer	8,217	-
Total Assets	<u>1,589,451</u>	<u>1,339,310</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 1,589,451</u>	<u>\$ 1,339,310</u>

*See Accompanying Independent Auditors' Report
and Notes to Financial Statements*

XAVIENT INFORMATION SYSTEMS
401(K) PROFIT SHARING PLAN AND TRUST
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEAR ENDED DECEMBER 31, 2014

ADDITIONS TO NET ASSETS:

Investment Income:	
Net appreciation in fair value of investments	\$ 73,633
Interest and dividend income	14,900
Total Investment Income	<u>88,533</u>
Interest income on notes receivable - participants	<u>2,838</u>
Contributions:	
Participants	291,936
Employer	180,880
Total Contributions	<u>472,816</u>
Total Additions	<u>564,187</u>

DEDUCTIONS FROM NET ASSETS:

Benefits paid to participants	313,202
Administrative fees	844
Total Deductions	<u>314,046</u>
Increase in Net Assets	250,141

NET ASSETS AVAILABLE FOR BENEFITS

- Beginning of Year	<u>1,339,310</u>
---------------------	------------------

NET ASSETS AVAILABLE FOR BENEFITS

- End of Year	<u><u>\$ 1,589,451</u></u>
---------------	----------------------------

*See Accompanying Independent Auditors' Report
and Notes to Financial Statements*

**XAVIENT INFORMATION SYSTEMS
401(K) PROFIT SHARING PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014**

1. PLAN DESCRIPTION AND RELATED INFORMATION

General

The following description of the Xavient Information Systems (the “Company” and “Sponsor”) 401(K) Profit Sharing Plan and Trust (the “Plan”) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan’s provisions.

The Plan is a defined contribution safe harbor plan covering all eligible employees of the Company as defined in the Plan agreement who have completed six months of service and are age twenty one or older. Employees may enroll in the Plan on the first day of the next month following eligibility. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”). The Plan has been amended and restated effective January 1, 2014 to comply with applicable laws and regulations.

Plan Administration

Mid Atlantic Trust Company (“Mid Atlantic”) serves as Custodian of the Plan’s assets as of December 31, 2014 and 2013 and for the year ended December 31, 2014. The Company is the Plan sponsor and Plan administrator. The Plan administrator is responsible for carrying out the duties imposed under ERISA. Certain administrative and Trustee functions are performed by officers or employees of the Company. However, no such officer or employee received compensation from the Plan. While certain administrative expenses are paid by the Plan, other administrative expenses are paid directly by the Company. The Company uses Paychex to prepare its payroll and retirement services. Expenses incurred by the Company on behalf of the Plan are not determinable since the expenses for the preparation of payroll and for plan related services are combined for the year ended December 31, 2014.

Contributions

Each year, Participants may contribute to the Plan elective compensation deferrals up to 96% of the participants’ compensation, not to exceed the maximum contribution permitted by applicable provisions of the Internal Revenue Code (“IRC”). Participants who have attained age fifty by the last day of the plan year are eligible to make catch-up contributions. Roth 401(K) deferrals are not permitted under the Plan. In addition, Participants may contribute amounts rolled over from other qualified plans. Participants may make changes to their deferral during each payroll period. Participants direct the investments of their contributions into various investment options offered by the Plan.

XAVIENT INFORMATION SYSTEMS
401(K) PROFIT SHARING PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014

1. PLAN DESCRIPTION AND RELATED INFORMATION (Continued)

Contributions (Continued)

The Company matches 100% of employee contributions, up to the first 5% of the Participant's compensation. Profit sharing contributions may also be made at the discretion of the Company, as determined each year. In order to receive the profit sharing contribution, an employee must be employed on the last day of the Plan year or have completed five hundred hours of service, as defined in the Plan agreement. The Company did not make profit sharing contributions during the Plan year ended December 31, 2014. The Company may also make contributions of an amount to be determined each year, as applicable, to satisfy nondiscrimination rules that apply to the Plan.

Participant Accounts

Each Participant's account is increased or decreased with the Participant's contribution or withdrawal and allocations of: (a) the Company's contributions, and (b) Plan earnings or losses, allocations of administrative fees and forfeitures. Allocations are based on Participant earnings or account balances, as defined in the Plan agreement. The benefit to which a Participant is entitled is the vested balance in the Participant's account.

Participant Loans

Participants may borrow from their vested benefits a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 95% of one half of their vested account balance, as defined in the Plan agreement. Participants are allowed one outstanding loan at a time. As applicable, married participants are required to obtain spousal consent before loans of more than \$5,000 are issued. Loan terms range from one to five years but may be longer if the loan is used to purchase a primary residence. Loans are secured by the balance in the Participant's account and bear interest at prime plus 1% (4.25% in 2014), which is commensurate with local prevailing rates as determined when the loan is approved. Principal and interest are paid ratably through payroll deductions. In the event a loan is considered in default, the Plan administrator has discretion in methods to cure such default as identified in the loan policy.

XAVIENT INFORMATION SYSTEMS
401(K) PROFIT SHARING PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014

1. PLAN DESCRIPTION AND RELATED INFORMATION (Continued)

Vesting

Participants are immediately vested in their voluntary contributions plus actual earnings thereon, as well as their rollover contributions or catch-up contributions, plus actual earnings thereon. Under the safe harbor provisions, vesting in the Company's matching contributions, plus earnings thereon, is immediately vested. Vesting in the Company's discretionary profit sharing contributions is based on years of service, as follows:

<u>Years of Service</u>	<u>Vesting Percentage</u>
1 year	0%
2 years	20%
3 years	40%
4 years	60%
5 years	80%
6 years	100%

Participants will be fully vested in the Company's discretionary profit sharing contributions at death, upon the attainment of normal retirement age or total disability.

Payment of Benefits

A Participant may withdraw funds from the Plan upon the occurrence of certain events including, but not limited to, retirement, death, disability or termination of employment. The Plan provides for involuntary distributions of vested account balances equal to or less than \$1,000. All distributions will be made in lump sum payments. If the value exceeds \$5,000, the funds will remain in the Plan until a written request for distribution is submitted by the Participant. Hardship distributions are permitted, under certain circumstances; however, the Participant is suspended from contributing to the Plan for the succeeding six months.

Forfeited Accounts

Under the Plan agreement, forfeitures of non-vested employer profit sharing contributions will be allocated in the same Plan Year in which the forfeitures occur. There were no forfeitures for the year ended December 31, 2014.

Concentration of Credit Risk

Financial instruments, which potentially subject the Plan to concentrations of credit risk, consist principally of participant notes receivable. Credit risk is limited due to limitations on the maximum number of loans a participant may have outstanding at any one time, as well as the provision that each participant's total outstanding loan balance cannot exceed 95% of one half of his or her vested account balance. The remaining vested account balance serves as collateral.

See Accompanying Independent Auditors' Report

XAVIENT INFORMATION SYSTEMS
401(K) PROFIT SHARING PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014

1. PLAN DESCRIPTION AND RELATED INFORMATION (Continued)

Investment 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 securities will occur in the near term and that such changes could materially affect Participants' account balances and the amounts reported in the Statement of Net Assets Available for Benefits.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements were prepared on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"), requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements. Accordingly, actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's Trustees determine the Plan's valuation policies utilizing information provided by the investment advisers, custodians and insurance company.

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

Notes Receivable – Participants

Notes receivable from Participants are measured at their unpaid principal balance plus any accrued but unpaid interest.

Payment of Benefits

Benefits are recorded when paid.

See Accompanying Independent Auditors' Report

**XAVIENT INFORMATION SYSTEMS
401(K) PROFIT SHARING PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014**

3. CERTIFICATION

The following is a summary of the unaudited information included in the Plan's financial statements and supplemental schedule that were prepared and furnished to the Plan administrator by Mid-Atlantic for total investments and the aggregate of net appreciation in fair value and interest and dividend income. This information was provided by Mid-Atlantic as of December 31, 2014 and 2013 and for the year ended December 31, 2014. Mid-Atlantic executes its investment transactions.

The Plan administrator has obtained certifications from Mid Atlantic that the following information is complete and accurate as of December 31, 2014 and 2013 and for the year ended December 31, 2014:

(a) Schedule of Assets (Held at End of Year) - December 31, 2014

(b) Investments, at fair value, at December 31:

	<u>2014</u>	<u>2013</u> <u>(Compiled)</u>
Total investments	\$ 1,490,279	\$ 1,267,832
Net appreciation in fair value of investments	73,633	-
Interest and dividend income	14,900	-

4. FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for similar assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820 are described as follows:

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

See Accompanying Independent Auditors' Report

**XAVIENT INFORMATION SYSTEMS
401(K) PROFIT SHARING PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014**

4. FAIR VALUE MEASUREMENTS (Continued)

Level 2: Inputs to the valuation methodology include:

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

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

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

Following is a description of the valuation methodologies used for assets measured at fair value:

Mutual Funds: Based on quoted market prices of underlying securities, valued at the net asset value ("NAV") of shares held by the Plan at year-end.

There were no transfers between Level 1 and Level 2 for the year ended December 31, 2014.

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

See Accompanying Independent Auditors' Report

XAVIENT INFORMATION SYSTEMS
401(K) PROFIT SHARING PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014

4. FAIR VALUE MEASUREMENTS (Continued)

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2014

	Total Fair Value	Quoted Prices in Active Markets for Identical Assets Level 1
December 31, 2014:		
Equity	\$ 1,057,065	\$ 1,057,065
Fixed Income	182,383	182,383
International Equity	194,488	194,488
Money Market	56,343	56,343
Total	<u>\$ 1,490,279</u>	<u>\$ 1,490,279</u>
December 31, 2013:		
Equity	\$ 843,860	\$ 843,860
Fixed Income	193,631	193,631
International Equity	182,772	182,772
Money Market	66,059	66,059
Total	<u>\$ 1,286,322</u>	<u>\$ 1,286,322</u>

5. INVESTMENTS

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

	2014	2013 (Compiled)
American Funds Euro Pacific Growth Fund	\$ -	\$ 124,447
American Funds American Mutual Fund	230,717	183,947
Franklin Rising Dividends Fund	410,562	-
Oppenheimer Rising Dividends Fund	-	333,888
MFS Massachusetts Investors Growth Stock	172,309	133,090
Oppenheimer International Diversified Fund	138,191	-
Lord Abbett Total Return Fund	102,543	138,319

Net changes in fair value of investments, including realized gains and losses on investments sold, are as follows for the year ended December 31, 2014:

Net appreciation on investments - mutual funds \$73,633

See Accompanying Independent Auditors' Report

**XAVIENT INFORMATION SYSTEMS
401(K) PROFIT SHARING PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014**

6. PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, Participants will become 100% vested in their employer profit sharing contributions.

7. PARTY IN INTEREST TRANSACTIONS

Plan investments were managed by Mid-Atlantic as of December 31, 2014 and 2013 and for the year ended December 31, 2014 to provide record keeping, investment allocation and custodial services to the Plan. The service agreement with Mid Atlantic stipulates that all fees for services rendered to the plan by Mid Atlantic Trust will be paid to Mid Atlantic by the appointed third party administrator ("TPA"), Paychex. Mid Atlantic does not receive any direct compensation from the Plan. The fee schedule applied to the Plan is based on the TPA's service agreement with Mid Atlantic. These payments from the TPA to Mid Atlantic are deemed indirect compensation under the regulations

8. TAX STATUS

The Plan has adopted a Prototype Non-Standardized Profit Sharing Plan with CODA preapproved by the IRS. The IRS reviewed the Plan document and opined in a letter dated April 10, 2014, that the Plan and related trust are designed in accordance with applicable sections of the IRC. The Plan has not been amended since receiving the determination letter. The Plan administrator and the Plan's tax counsel believe that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified, and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2014 and 2013, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions.

See Accompanying Independent Auditors' Report

**XAVIENT INFORMATION SYSTEMS
401(K) PROFIT SHARING PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014**

9. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to Schedule H of Form 5500 at December 31:

	<u>2014</u>
Net assets available for benefits per the financial statements	\$ 1,589,451
Contributions receivable	<u>(28,645)</u>
Net Assets Available for Benefits per Form 5500	<u><u>\$ 1,560,806</u></u>

The following is a reconciliation of increase in net assets per the financial statements to Schedule H of Form 5500 at December 31:

	<u>2014</u>
Increase in net assets per the financial statement	\$ 250,141
Contributions receivable	<u>(28,645)</u>
Net Income per Form 5500	<u><u>\$ 221,496</u></u>

In addition, there are differences in classification between the financial statements and Form 5500 relating to certain additions to net assets, which have no impact on net assets available for benefits or changes in net assets available for benefits.

10. SUBSEQUENT EVENTS

In preparing these financial statements, the Plan has evaluated events and transactions for potential recognition or disclosure through October 14, 2015, the date the financial statements were available to be issued.

SUPPLEMENTAL SCHEDULE

XAVIENT INFORMATION SYSTEMS
401(K) PROFIT SHARING PLAN AND TRUST
SCHEDULE H, LINE 4I
SCHEDULE OF ASSETS (HELD AT END OF YEAR)
EIN 04-3779461 PLAN NUMBER 001
DECEMBER 31, 2014

(a)	(b) Identity of Issue or Borrower	(c) Description	(e) Current Value ***
*	American Funds Mutual R3	Mutual Fund	\$ 230,717
*	Franklin Rising Dividends Class R	Mutual Fund	410,562
*	Franklin US Government Securities R	Mutual Fund	43,159
*	Franklin High Income	Mutual Fund	13,926
*	Oppenheimer International Diversified	Mutual Fund	138,191
*	Franklin Small Mid Cap Growth	Mutual Fund	64,732
*	Oppenheimer Equity Income Class R	Mutual Fund	57,743
*	MFS Mass Investors Growth Stock R2	Mutual Fund	172,309
*	MFS International NW Discovery R2	Mutual Fund	27,210
*	MFS Mid-Cap Value R2	Mutual Fund	3,889
*	American Funds New World R3	Mutual Fund	27,613
*	Lord Abbett Total Return R3	Mutual Fund	102,543
*	Lord Abbett Income R3	Mutual Fund	9,592
*	Goldman Sachs Small Cap Equity R	Mutual Fund	75,100
*	Goldman Sachs Inflation Protected Securities	Mutual Fund	13,163
*	JP Morgan Small Cap Value R2	Mutual Fund	42,014
*	MFS International Value R2	Mutual Fund	1,474
*	Federated Automated Cash Management	Money Market	56,342
			<u>\$ 1,490,279</u>
*	Participant Loans **	4.25%	<u>\$ 70,527</u>
*	Party -in-Interest		
**	Repayment terms range form 1 to 5 years		
**	Cost omitted for participant directed investments		

See Accompanying Independent Auditors' Report

SUPPLEMENTAL SCHEDULE

XAVIENT INFORMATION SYSTEMS
401(K) PROFIT SHARING PLAN AND TRUST
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