

|                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                         |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|
| <b>Form 5500</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security<br>Administration<br><br>Pension Benefit Guaranty Corporation | <b>Annual Return/Report of Employee Benefit Plan</b><br><br>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).<br><br><p style="text-align: center;">▶ <b>Complete all entries in accordance with the instructions to the Form 5500.</b></p> | OMB Nos. 1210-0110<br>1210-0089<br><br><b>2014</b><br><br><b>This Form is Open to Public Inspection</b> |
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|                                                                                                          |                                                                                                                                                                                                                                                                                                                                                 |
|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part I</b>                                                                                            | <b>Annual Report Identification Information</b>                                                                                                                                                                                                                                                                                                 |
| For calendar plan year 2014 or fiscal plan year beginning <u>01/01/2014</u> and ending <u>12/31/2014</u> |                                                                                                                                                                                                                                                                                                                                                 |
| <b>A</b> This return/report is for:                                                                      | <input type="checkbox"/> a multiemployer plan; <input type="checkbox"/> a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or<br><input checked="" type="checkbox"/> a single-employer plan; <input type="checkbox"/> a DFE (specify) _____ |
| <b>B</b> This return/report is:                                                                          | <input type="checkbox"/> the first return/report; <input type="checkbox"/> the final return/report;<br><input checked="" type="checkbox"/> an amended return/report; <input type="checkbox"/> a short plan year return/report (less than 12 months).                                                                                            |
| <b>C</b> If the plan is a collectively-bargained plan, check here. ....                                  | <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                        |
| <b>D</b> Check box if filing under:                                                                      | <input checked="" type="checkbox"/> Form 5558; <input type="checkbox"/> automatic extension; <input type="checkbox"/> the DFVC program;<br><input type="checkbox"/> special extension (enter description)                                                                                                                                       |

|                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                        |                                                                     |                                                                  |                                                             |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|------------------------------------------------------------------|-------------------------------------------------------------|--|
| <b>Part II</b>                                                                                                                                                                                                   | <b>Basic Plan Information</b> —enter all requested information                                                                                                                                                                                                                                                                                                                         |                                                                     |                                                                  |                                                             |  |
| <b>1a</b> Name of plan<br><u>CARGOTEC HOLDING, INC. 401(K) PLAN</u>                                                                                                                                              | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"><b>1b</b> Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2"><b>1c</b> Effective date of plan<br/><u>01/01/1994</u></td> </tr> </table>                                                                        | <b>1b</b> Three-digit plan number (PN) ▶                            | <u>001</u>                                                       | <b>1c</b> Effective date of plan<br><u>01/01/1994</u>       |  |
| <b>1b</b> Three-digit plan number (PN) ▶                                                                                                                                                                         | <u>001</u>                                                                                                                                                                                                                                                                                                                                                                             |                                                                     |                                                                  |                                                             |  |
| <b>1c</b> Effective date of plan<br><u>01/01/1994</u>                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                        |                                                                     |                                                                  |                                                             |  |
| <b>2a</b> Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)<br><u>CARGOTEC HOLDING, INC.</u><br><br><u>415 E DUNDEE ST</u><br><u>OTTAWA, KS 66067-1543</u> | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td><b>2b</b> Employer Identification Number (EIN)<br/><u>58-1730881</u></td> </tr> <tr> <td><b>2c</b> Plan Sponsor's telephone number<br/><u>785-229-7122</u></td> </tr> <tr> <td><b>2d</b> Business code (see instructions)<br/><u>336990</u></td> </tr> <tr> <td style="height: 40px;"></td> </tr> </table> | <b>2b</b> Employer Identification Number (EIN)<br><u>58-1730881</u> | <b>2c</b> Plan Sponsor's telephone number<br><u>785-229-7122</u> | <b>2d</b> Business code (see instructions)<br><u>336990</u> |  |
| <b>2b</b> Employer Identification Number (EIN)<br><u>58-1730881</u>                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                        |                                                                     |                                                                  |                                                             |  |
| <b>2c</b> Plan Sponsor's telephone number<br><u>785-229-7122</u>                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                        |                                                                     |                                                                  |                                                             |  |
| <b>2d</b> Business code (see instructions)<br><u>336990</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.

|                                                                                                            |                                                   |                   |                                                              |
|------------------------------------------------------------------------------------------------------------|---------------------------------------------------|-------------------|--------------------------------------------------------------|
| <b>SIGN HERE</b>                                                                                           | Filed with authorized/valid electronic signature. | <u>02/07/2016</u> | <u>SHERI HARRIS</u>                                          |
|                                                                                                            | <b>Signature of plan administrator</b>            | Date              | Enter name of individual signing as plan administrator       |
| <b>SIGN HERE</b>                                                                                           |                                                   |                   |                                                              |
|                                                                                                            | <b>Signature of employer/plan sponsor</b>         | Date              | Enter name of individual signing as employer or plan sponsor |
| <b>SIGN HERE</b>                                                                                           |                                                   |                   |                                                              |
|                                                                                                            | <b>Signature of DFE</b>                           | 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)                       |
|                                                                                                            |                                                   |                   |                                                              |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>3b</b> Administrator's EIN<br><br><b>3c</b> Administrator's telephone number<br><br><div style="background-color: #cccccc; height: 40px; width: 100%;"></div>                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>4</b> 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:<br><b>a</b> Sponsor's name                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>4b</b> EIN<br><br><b>4c</b> PN                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>5</b> Total number of participants at the beginning of the plan year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>5</b> 895                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>6</b> Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines <b>6a(1)</b> , <b>6a(2)</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ).<br><br><b>a(1)</b> Total number of active participants at the beginning of the plan year .....<br><b>a(2)</b> Total number of active participants at the end of the plan year .....<br><br><b>b</b> Retired or separated participants receiving benefits .....<br><b>c</b> Other retired or separated participants entitled to future benefits.....<br><b>d</b> Subtotal. Add lines <b>6a(2)</b> , <b>6b</b> , and <b>6c</b> . .....<br><b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. ....<br><b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> . .....<br><br><b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) .....<br><br><b>h</b> Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested..... | <b>6a(1)</b> 895<br><b>6a(2)</b> 714<br><b>6b</b> 1<br><b>6c</b> 203<br><b>6d</b> 918<br><b>6e</b> 0<br><b>6f</b> 918<br><b>6g</b> 918<br><b>6h</b> 4                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>7</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>8a</b> If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:<br>2E 2F 2G 2J 2K 2T 3D 3H 2R<br><br><b>b</b> If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>9a</b> Plan funding arrangement (check all that apply)<br><b>(1)</b> <input checked="" type="checkbox"/> Insurance<br><b>(2)</b> <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br><b>(3)</b> <input checked="" type="checkbox"/> Trust<br><b>(4)</b> <input type="checkbox"/> General assets of the sponsor                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>9b</b> Plan benefit arrangement (check all that apply)<br><b>(1)</b> <input checked="" type="checkbox"/> Insurance<br><b>(2)</b> <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br><b>(3)</b> <input checked="" type="checkbox"/> Trust<br><b>(4)</b> <input type="checkbox"/> General assets of the sponsor                                                                                                                                                                                                                                       |
| <b>10</b> Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>a Pension Schedules</b><br><b>(1)</b> <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information)<br><br><b>(2)</b> <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary<br><br><b>(3)</b> <input type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>b General Schedules</b><br><b>(1)</b> <input checked="" type="checkbox"/> <b>H</b> (Financial Information)<br><b>(2)</b> <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan)<br><b>(3)</b> <input checked="" type="checkbox"/> <u>1</u> <b>A</b> (Insurance Information)<br><b>(4)</b> <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information)<br><b>(5)</b> <input checked="" type="checkbox"/> <b>D</b> (DFE/Participating Plan Information)<br><b>(6)</b> <input type="checkbox"/> <b>G</b> (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 \_\_\_\_\_

|                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                           |                                               |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|
| <b>SCHEDULE A</b><br><b>(Form 5500)</b><br>Department of the Treasury<br>Internal Revenue Service<br><hr/> Department of Labor<br>Employee Benefits Security Administration<br><hr/> Pension Benefit Guaranty Corporation | <b>Insurance Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br><br><b>► File as an attachment to Form 5500.</b><br><br>► Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2). | OMB No. 1210-0110                             |
|                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                           | <b>2014</b>                                   |
|                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                           | <b>This Form is Open to Public Inspection</b> |

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

|                                                                                                |                                                                    |            |
|------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|------------|
| <b>A</b> Name of plan<br><b>CARGOTEC HOLDING, INC. 401(K) PLAN</b>                             | <b>B</b> Three-digit plan number (PN) <b>►</b>                     | <b>001</b> |
|                                                                                                |                                                                    |            |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><b>CARGOTEC HOLDING, INC.</b> | <b>D</b> Employer Identification Number (EIN)<br><b>58-1730881</b> |            |

|               |                                                                                                                                                                                                                                                     |
|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part I</b> | <b>Information Concerning Insurance Contract Coverage, Fees, and Commissions</b> Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A. |
|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

**1** Coverage Information:

**(a)** Name of insurance carrier

**PRUDENTIAL RETIREMENT INSURANCE & ANNUITY COMPANY**

| (b) EIN    | (c) NAIC code | (d) Contract or identification number | (e) Approximate number of persons covered at end of policy or contract year | Policy or contract year |            |
|------------|---------------|---------------------------------------|-----------------------------------------------------------------------------|-------------------------|------------|
|            |               |                                       |                                                                             | (f) From                | (g) To     |
| 06-1050034 | 93629         | 41456                                 | 918                                                                         | 01/01/2014              | 12/31/2014 |

**2** Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

|                                      |                               |
|--------------------------------------|-------------------------------|
| (a) Total amount of commissions paid | (b) Total amount of fees paid |
| 0                                    | 0                             |

**3** Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| (b) Amount of sales and base commissions paid | Fees and other commissions paid |             | (e) Organization code |
|-----------------------------------------------|---------------------------------|-------------|-----------------------|
|                                               | (c) Amount                      | (d) Purpose |                       |
|                                               |                                 |             |                       |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| (b) Amount of sales and base commissions paid | Fees and other commissions paid |             | (e) Organization code |
|-----------------------------------------------|---------------------------------|-------------|-----------------------|
|                                               | (c) Amount                      | (d) Purpose |                       |
|                                               |                                 |             |                       |

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

Schedule A (Form 5500) 2014  
v. 140124

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**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

---

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b> Organization code |
|------------------------------------------------------|---------------------------------|--------------------|------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                              |
|                                                      |                                 |                    |                              |

---

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

---

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b> Organization code |
|------------------------------------------------------|---------------------------------|--------------------|------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                              |
|                                                      |                                 |                    |                              |

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**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

---

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b> Organization code |
|------------------------------------------------------|---------------------------------|--------------------|------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                              |
|                                                      |                                 |                    |                              |

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**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

---

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b> Organization code |
|------------------------------------------------------|---------------------------------|--------------------|------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                              |
|                                                      |                                 |                    |                              |

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**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

---

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b> Organization code |
|------------------------------------------------------|---------------------------------|--------------------|------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                              |
|                                                      |                                 |                    |                              |

**Part II Investment and Annuity Contract Information**

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

|                                                                                                       |          |          |
|-------------------------------------------------------------------------------------------------------|----------|----------|
| <b>4</b> Current value of plan's interest under this contract in the general account at year end..... | <b>4</b> | 18381315 |
| <b>5</b> Current value of plan's interest under this contract in separate accounts at year end .....  | <b>5</b> | 22718739 |

**6 Contracts With Allocated Funds:****a** State the basis of premium rates ▶

|                                                                                                                                                                                                                |           |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|--|
| <b>b</b> Premiums paid to carrier.....                                                                                                                                                                         | <b>6b</b> |  |
| <b>c</b> Premiums due but unpaid at the end of the year.....                                                                                                                                                   | <b>6c</b> |  |
| <b>d</b> If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. ....<br>Specify nature of costs ▶ | <b>6d</b> |  |

**e** Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity  
(3) ☐ other (specify) ▶

**f** If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ☐**7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)**

**a** Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee  
(3) ☐ guaranteed investment (4) ☒ other ▶ **GUARANTEED GENERAL ACCOUNT CONTRACT**

|                                                       |           |          |
|-------------------------------------------------------|-----------|----------|
| <b>b</b> Balance at the end of the previous year..... | <b>7b</b> | 17117835 |
|-------------------------------------------------------|-----------|----------|

|                                                                       |              |         |  |
|-----------------------------------------------------------------------|--------------|---------|--|
| <b>c</b> Additions: (1) Contributions deposited during the year ..... | <b>7c(1)</b> | 1522044 |  |
| (2) Dividends and credits .....                                       | <b>7c(2)</b> |         |  |
| (3) Interest credited during the year .....                           | <b>7c(3)</b> | 328638  |  |
| (4) Transferred from separate account.....                            | <b>7c(4)</b> | 209131  |  |
| (5) Other (specify below) .....                                       | <b>7c(5)</b> | 2288247 |  |
| ▶ <b>LOAN REPAYMENTS, MISCELLANEOUS IN TRANSFERS IN</b>               |              |         |  |

|                          |              |         |
|--------------------------|--------------|---------|
| (6) Total additions..... | <b>7c(6)</b> | 4348060 |
|--------------------------|--------------|---------|

|                                                                                       |           |          |
|---------------------------------------------------------------------------------------|-----------|----------|
| <b>d</b> Total of balance and additions (add lines <b>7b</b> and <b>7c(6)</b> ) ..... | <b>7d</b> | 21465895 |
|---------------------------------------------------------------------------------------|-----------|----------|

**e Deductions:**

|                                                                             |              |         |  |
|-----------------------------------------------------------------------------|--------------|---------|--|
| (1) Disbursed from fund to pay benefits or purchase annuities during year   | <b>7e(1)</b> | 1733198 |  |
| (2) Administration charge made by carrier .....                             | <b>7e(2)</b> | 1455    |  |
| (3) Transferred to separate account.....                                    | <b>7e(3)</b> | 90627   |  |
| (4) Other (specify below) .....                                             | <b>7e(4)</b> | 1259300 |  |
| ▶ <b>LOAN INITIATION, TRANSFERS OUT MISCELLANEOUS OUT FORFEITURE DEBITS</b> |              |         |  |

|                           |              |         |
|---------------------------|--------------|---------|
| (5) Total deductions..... | <b>7e(5)</b> | 3084580 |
|---------------------------|--------------|---------|

|                                                                                                         |           |          |
|---------------------------------------------------------------------------------------------------------|-----------|----------|
| <b>f</b> Balance at the end of the current year (subtract line <b>7e(5)</b> from line <b>7d</b> ) ..... | <b>7f</b> | 18381315 |
|---------------------------------------------------------------------------------------------------------|-----------|----------|

**Part III Welfare Benefit Contract Information**

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

**8** Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)     
 **b** ☐ Dental     
 **c** ☐ Vision     
 **d** ☐ Life insurance  
**e** ☐ Temporary disability (accident and sickness)     
 **f** ☐ Long-term disability     
 **g** ☐ Supplemental unemployment     
 **h** ☐ Prescription drug  
**i** ☐ Stop loss (large deductible)     
 **j** ☐ HMO contract     
 **k** ☐ PPO contract     
 **l** ☐ Indemnity contract  
**m** ☐ Other (specify) ▶

**9** Experience-rated contracts:

|                                                                                                                                                   |                 |                 |  |
|---------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|--|
| <b>a</b> Premiums: (1) Amount received.....                                                                                                       | <b>9a(1)</b>    |                 |  |
| (2) Increase (decrease) in amount due but unpaid.....                                                                                             | <b>9a(2)</b>    |                 |  |
| (3) Increase (decrease) in unearned premium reserve .....                                                                                         | <b>9a(3)</b>    |                 |  |
| (4) Earned ((1) + (2) - (3)).....                                                                                                                 |                 | <b>9a(4)</b>    |  |
| <b>b</b> Benefit charges (1) Claims paid.....                                                                                                     | <b>9b(1)</b>    |                 |  |
| (2) Increase (decrease) in claim reserves.....                                                                                                    | <b>9b(2)</b>    |                 |  |
| (3) Incurred claims (add (1) and (2)) .....                                                                                                       |                 | <b>9b(3)</b>    |  |
| (4) Claims charged .....                                                                                                                          |                 | <b>9b(4)</b>    |  |
| <b>c</b> Remainder of premium: (1) Retention charges (on an accrual basis) --                                                                     |                 |                 |  |
| (A) Commissions .....                                                                                                                             | <b>9c(1)(A)</b> |                 |  |
| (B) Administrative service or other fees.....                                                                                                     | <b>9c(1)(B)</b> |                 |  |
| (C) Other specific acquisition costs .....                                                                                                        | <b>9c(1)(C)</b> |                 |  |
| (D) Other expenses.....                                                                                                                           | <b>9c(1)(D)</b> |                 |  |
| (E) Taxes .....                                                                                                                                   | <b>9c(1)(E)</b> |                 |  |
| (F) Charges for risks or other contingencies.....                                                                                                 | <b>9c(1)(F)</b> |                 |  |
| (G) Other retention charges .....                                                                                                                 | <b>9c(1)(G)</b> |                 |  |
| (H) Total retention .....                                                                                                                         |                 | <b>9c(1)(H)</b> |  |
| (2) Dividends or retroactive rate refunds. (These amounts were <input type="checkbox"/> paid in cash, or <input type="checkbox"/> credited.)..... |                 | <b>9c(2)</b>    |  |
| <b>d</b> Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement .....                               |                 | <b>9d(1)</b>    |  |
| (2) Claim reserves .....                                                                                                                          |                 | <b>9d(2)</b>    |  |
| (3) Other reserves.....                                                                                                                           |                 | <b>9d(3)</b>    |  |
| <b>e</b> Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).) .....                                          |                 | <b>9e</b>       |  |

**10** Nonexperience-rated contracts:

|                                                                                                                                                                                                                                |            |  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> Total premiums or subscription charges paid to carrier .....                                                                                                                                                          | <b>10a</b> |  |
| <b>b</b> If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount..... | <b>10b</b> |  |

Specify nature of costs ▶

**Part IV Provision of Information**

**11** Did the insurance company fail to provide any information necessary to complete Schedule A? ..... ☐ Yes ☒ No

**12** If the answer to line 11 is "Yes," specify the information not provided. ▶

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

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

|                                                                                                |                                                                    |
|------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|
| <b>A</b> Name of plan<br><u>CARGOTEC HOLDING, INC. 401(K) PLAN</u>                             | <b>B</b> Three-digit plan number (PN) <u>001</u>                   |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>CARGOTEC HOLDING, INC.</u> | <b>D</b> Employer Identification Number (EIN)<br><u>58-1730881</u> |

**Part I Service Provider Information (see instructions)**

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  
PRUDENTIAL RETIREMENT INSURANCE AND

06-1050034

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

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

**(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

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**(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

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**(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

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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)

PRUDENTIAL RETIREMENT INSURANCE AND

06-1050034

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 13 15 37 38<br>50 64   | NONE                                                                                              | 18574                                                                  | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                  | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                                            | 0                                                                                                                                                                               | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                          |

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

THE PRUDENTIAL INSURANCE COMPANY OF

22-1211670

| (b)<br>Service Code(s)  | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|-------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 13 15 37 38<br>49 50 64 | NONE                                                                                              | 0                                                                      | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                  | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                                            | 0                                                                                                                                                                               | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                          |

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

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

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

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

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

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

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

**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<br>(see instructions) | (c) Enter amount of indirect compensation |
|---------------------------------------------------------|-----------------------------------------|-------------------------------------------|
| PRUDENTIAL RETIREMENT INSURANCE AND                     | 15 64                                   | 0                                         |

| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| PRUDENTIAL RETIREMENT INSURANCE AND<br><br>06-1050034               | 30.000 BPS AND \$0.00 PER PARTICIPANT INVESTED IN THE FUND FROM 1/1/2014 TO 1/31/2014 GUARANTEED INCOME FUND                                                       |

| (a) Enter service provider name as it appears on line 2 | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|---------------------------------------------------------|-----------------------------------------|-------------------------------------------|
| PRUDENTIAL RETIREMENT INSURANCE AND                     | 15 64                                   | 0                                         |

| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| PRUDENTIAL RETIREMENT INSURANCE AND<br><br>06-1050034               | 20.000 BPS AND \$0.00 PER PARTICIPANT INVESTED IN THE FUND FROM 2/1/2014 TO 12/31/2014 GUARANTEED INCOME FUND                                                      |

| (a) Enter service provider name as it appears on line 2 | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|---------------------------------------------------------|-----------------------------------------|-------------------------------------------|
| THE PRUDENTIAL INSURANCE COMPANY OF                     | 15 60 64                                | 0                                         |

| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| PRUDENTIAL INVESTMENTS, LLC<br><br>22-3468527                       | 22.000 BPS AND \$0.00 PER PARTICIPANT INVESTED IN THE FUND FROM 1/1/2014 TO 12/31/2014 PRU JENN MD CP GRW A                                                        |

**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)

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                                                                                                                                                                                                               |                                                                                                                                                                                                                              |                                                                                                        |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|
| <b>SCHEDULE D</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small> | <b>DFE/Participating Plan Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br><br><b>► File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><hr/> <b>2014</b><br><br><hr/> <b>This Form is Open to Public Inspection.</b> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|

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

|                                                                                                       |                                                                            |            |
|-------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|------------|
| <b>A</b> Name of plan<br><u>CARGOTEC HOLDING, INC. 401(K) PLAN</u>                                    | <b>B</b> Three-digit plan number (PN) <span style="float: right;">►</span> | <u>001</u> |
| <b>C</b> Plan or DFE sponsor's name as shown on line 2a of Form 5500<br><u>CARGOTEC HOLDING, INC.</u> | <b>D</b> Employer Identification Number (EIN)<br><u>58-1730881</u>         |            |

|               |                                                                                                                                                                                  |
|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part I</b> | <b>Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)</b><br>(Complete as many entries as needed to report all interests in DFEs) |
|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                     |                               |                                                                                                                                                        |
|-------------------------------------------------------------------------------------|-------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRU DAY ONE IFX TARG BAL</u>      |                               |                                                                                                                                                        |
| <b>b</b> Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS.</u> |                               |                                                                                                                                                        |
| <b>c</b> EIN-PN <u>06-1050034-697</u>                                               | <b>d</b> Entity code <u>P</u> | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <span style="float: right;"><u>669699</u></span>   |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <u>LARGECAP GROW/JP MORGAN</u>       |                               |                                                                                                                                                        |
| <b>b</b> Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS.</u> |                               |                                                                                                                                                        |
| <b>c</b> EIN-PN <u>06-1050034-141</u>                                               | <b>d</b> Entity code <u>P</u> | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <span style="float: right;"><u>12854559</u></span> |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <u>CORE PLUS BOND / PIM FUND</u>     |                               |                                                                                                                                                        |
| <b>b</b> Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS.</u> |                               |                                                                                                                                                        |
| <b>c</b> EIN-PN <u>06-1050034-299</u>                                               | <b>d</b> Entity code <u>P</u> | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <span style="float: right;"><u>7824704</u></span>  |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <u>JENNISON MID CAP GROWTH</u>       |                               |                                                                                                                                                        |
| <b>b</b> Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS.</u> |                               |                                                                                                                                                        |
| <b>c</b> EIN-PN <u>06-1050034-783</u>                                               | <b>d</b> Entity code <u>P</u> | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <span style="float: right;"><u>1369777</u></span>  |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE:                                      |                               |                                                                                                                                                        |
| <b>b</b> Name of sponsor of entity listed in (a):                                   |                               |                                                                                                                                                        |
| <b>c</b> EIN-PN                                                                     | <b>d</b> Entity code          | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)                                                    |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE:                                      |                               |                                                                                                                                                        |
| <b>b</b> Name of sponsor of entity listed in (a):                                   |                               |                                                                                                                                                        |
| <b>c</b> EIN-PN                                                                     | <b>d</b> Entity code          | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)                                                    |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE:                                      |                               |                                                                                                                                                        |
| <b>b</b> Name of sponsor of entity listed in (a):                                   |                               |                                                                                                                                                        |
| <b>c</b> EIN-PN                                                                     | <b>d</b> Entity code          | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)                                                    |

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

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

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

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

|                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                              |                                                                                                          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| <b>SCHEDULE H</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small><br><br><small>Pension Benefit Guaranty Corporation</small> | <b>Financial Information</b><br><br>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).<br><br><b>► File as an attachment to Form 5500.</b> | <small>OMB No. 1210-0110</small><br><br><b>2014</b><br><br><b>This Form is Open to Public Inspection</b> |
| For calendar plan year 2014 or fiscal plan year beginning <u>01/01/2014</u> and ending <u>12/31/2014</u>                                                                                                                                                                 |                                                                                                                                                                                                                                                                              |                                                                                                          |
| <b>A</b> Name of plan<br><u>CARGOTEC HOLDING, INC. 401(K) PLAN</u>                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                              | <b>B</b> Three-digit plan number (PN) <span style="float: right;">►</span> <u>001</u>                    |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>CARGOTEC HOLDING, INC.</u>                                                                                                                                                                           |                                                                                                                                                                                                                                                                              | <b>D</b> Employer Identification Number (EIN)<br><u>58-1730881</u>                                       |

| Part I                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Asset and Liability Statement                                                              |                 | (a) Beginning of Year | (b) End of Year |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|-----------------|-----------------------|-----------------|
| <b>1</b> 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. <b>Round off amounts to the nearest dollar.</b> 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. |                                                                                            |                 |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>Assets</b>                                                                              |                 |                       |                 |
| <b>a</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Total noninterest-bearing cash .....                                                       | <b>1a</b>       |                       |                 |
| <b>b</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Receivables (less allowance for doubtful accounts):                                        |                 |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (1) Employer contributions.....                                                            | <b>1b(1)</b>    |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (2) Participant contributions.....                                                         | <b>1b(2)</b>    |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (3) Other.....                                                                             | <b>1b(3)</b>    |                       |                 |
| <b>c</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | General investments:                                                                       |                 |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (1) Interest-bearing cash (include money market accounts & certificates of deposit).....   | <b>1c(1)</b>    |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (2) U.S. Government securities .....                                                       | <b>1c(2)</b>    |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (3) Corporate debt instruments (other than employer securities):                           |                 |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (A) Preferred .....                                                                        | <b>1c(3)(A)</b> |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (B) All other .....                                                                        | <b>1c(3)(B)</b> |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (4) Corporate stocks (other than employer securities):                                     |                 |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (A) Preferred .....                                                                        | <b>1c(4)(A)</b> |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (B) Common.....                                                                            | <b>1c(4)(B)</b> |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (5) Partnership/joint venture interests .....                                              | <b>1c(5)</b>    |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (6) Real estate (other than employer real property).....                                   | <b>1c(6)</b>    |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (7) Loans (other than to participants) .....                                               | <b>1c(7)</b>    |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (8) Participant loans.....                                                                 | <b>1c(8)</b>    | 1652554               | 1794298         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (9) Value of interest in common/collective trusts .....                                    | <b>1c(9)</b>    |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (10) Value of interest in pooled separate accounts .....                                   | <b>1c(10)</b>   | 545867                | 22718739        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (11) Value of interest in master trust investment accounts .....                           | <b>1c(11)</b>   |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (12) Value of interest in 103-12 investment entities.....                                  | <b>1c(12)</b>   |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (13) Value of interest in registered investment companies (e.g., mutual funds).....        | <b>1c(13)</b>   | 60627583              | 43448262        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (14) Value of funds held in insurance company general account (unallocated contracts)..... | <b>1c(14)</b>   | 17117835              | 18381315        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (15) Other.....                                                                            | <b>1c(15)</b>   | 186965                | 187904          |

**1d** Employer-related investments:

|                                                                      |              | (a) Beginning of Year | (b) End of Year |
|----------------------------------------------------------------------|--------------|-----------------------|-----------------|
| (1) Employer securities .....                                        | <b>1d(1)</b> |                       |                 |
| (2) Employer real property .....                                     | <b>1d(2)</b> |                       |                 |
| <b>e</b> Buildings and other property used in plan operation .....   | <b>1e</b>    |                       |                 |
| <b>f</b> Total assets (add all amounts in lines 1a through 1e) ..... | <b>1f</b>    | 80130804              | 86530518        |

**Liabilities**

|                                                                           |           |   |   |
|---------------------------------------------------------------------------|-----------|---|---|
| <b>g</b> Benefit claims payable .....                                     | <b>1g</b> |   |   |
| <b>h</b> Operating payables .....                                         | <b>1h</b> |   |   |
| <b>i</b> Acquisition indebtedness .....                                   | <b>1i</b> |   |   |
| <b>j</b> Other liabilities .....                                          | <b>1j</b> |   |   |
| <b>k</b> Total liabilities (add all amounts in lines 1g through 1j) ..... | <b>1k</b> | 0 | 0 |

**Net Assets**

|                                                           |           |          |          |
|-----------------------------------------------------------|-----------|----------|----------|
| <b>l</b> Net assets (subtract line 1k from line 1f) ..... | <b>1l</b> | 80130804 | 86530518 |
|-----------------------------------------------------------|-----------|----------|----------|

**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 |
|------------------------------------------------------------------------------------------------------------|-----------------|------------|-----------|
| <b>a Contributions:</b>                                                                                    |                 |            |           |
| (1) Received or receivable in cash from: <b>(A)</b> Employers .....                                        | <b>2a(1)(A)</b> | 2433919    |           |
| <b>(B)</b> Participants .....                                                                              | <b>2a(1)(B)</b> | 5559987    |           |
| <b>(C)</b> Others (including rollovers) .....                                                              | <b>2a(1)(C)</b> | 166998     |           |
| (2) Noncash contributions .....                                                                            | <b>2a(2)</b>    |            |           |
| (3) Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> ..... | <b>2a(3)</b>    |            | 8160904   |
| <b>b Earnings on investments:</b>                                                                          |                 |            |           |
| (1) Interest:                                                                                              |                 |            |           |
| <b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit) .....       | <b>2b(1)(A)</b> |            |           |
| <b>(B)</b> U.S. Government securities .....                                                                | <b>2b(1)(B)</b> |            |           |
| <b>(C)</b> Corporate debt instruments .....                                                                | <b>2b(1)(C)</b> |            |           |
| <b>(D)</b> Loans (other than to participants) .....                                                        | <b>2b(1)(D)</b> |            |           |
| <b>(E)</b> Participant loans .....                                                                         | <b>2b(1)(E)</b> | 74890      |           |
| <b>(F)</b> Other .....                                                                                     | <b>2b(1)(F)</b> | 328638     |           |
| <b>(G)</b> Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....                              | <b>2b(1)(G)</b> |            | 403528    |
| (2) Dividends: <b>(A)</b> Preferred stock .....                                                            | <b>2b(2)(A)</b> |            |           |
| <b>(B)</b> Common stock .....                                                                              | <b>2b(2)(B)</b> |            |           |
| <b>(C)</b> Registered investment company shares (e.g. mutual funds) .....                                  | <b>2b(2)(C)</b> | 519628     |           |
| <b>(D)</b> Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> .....                  | <b>2b(2)(D)</b> |            | 519628    |
| (3) Rents .....                                                                                            | <b>2b(3)</b>    |            |           |
| (4) Net gain (loss) on sale of assets: <b>(A)</b> Aggregate proceeds .....                                 | <b>2b(4)(A)</b> |            |           |
| <b>(B)</b> Aggregate carrying amount (see instructions) .....                                              | <b>2b(4)(B)</b> |            |           |
| <b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result .....                  | <b>2b(4)(C)</b> |            | 0         |
| (5) Unrealized appreciation (depreciation) of assets: <b>(A)</b> Real estate .....                         | <b>2b(5)(A)</b> |            |           |
| <b>(B)</b> Other .....                                                                                     | <b>2b(5)(B)</b> |            |           |
| <b>(C)</b> Total unrealized appreciation of assets. Add lines <b>2b(5)(A)</b> and <b>(B)</b> .....         | <b>2b(5)(C)</b> |            | 0         |

|                                                                                                |        | (a) Amount | (b) Total |
|------------------------------------------------------------------------------------------------|--------|------------|-----------|
| (6) Net investment gain (loss) from common/collective trusts.....                              | 2b(6)  |            |           |
| (7) Net investment gain (loss) from pooled separate accounts.....                              | 2b(7)  |            | 1637582   |
| (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) |            | 1666250   |
| c Other income.....                                                                            | 2c     |            | 3904      |
| d Total income. Add all <b>income</b> amounts in column (b) and enter total.....               | 2d     |            | 12391796  |

**Expenses**

|                                                                                     |       |         |         |
|-------------------------------------------------------------------------------------|-------|---------|---------|
| e Benefit payment and payments to provide benefits:                                 |       |         |         |
| (1) Directly to participants or beneficiaries, including direct rollovers.....      | 2e(1) | 5974167 |         |
| (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) |         | 5974167 |
| f Corrective distributions (see instructions).....                                  | 2f    |         | 66      |
| g Certain deemed distributions of participant loans (see instructions).....         | 2g    |         | -2350   |
| h Interest expense.....                                                             | 2h    |         |         |
| i Administrative expenses: (1) Professional fees.....                               | 2i(1) |         |         |
| (2) Contract administrator fees.....                                                | 2i(2) |         |         |
| (3) Investment advisory and management fees.....                                    | 2i(3) |         |         |
| (4) Other.....                                                                      | 2i(4) | 20199   |         |
| (5) Total administrative expenses. Add lines 2i(1) through (4).....                 | 2i(5) |         | 20199   |
| j Total expenses. Add all <b>expense</b> amounts in column (b) and enter total..... | 2j    |         | 5992082 |

**Net Income and Reconciliation**

|                                                         |       |  |         |
|---------------------------------------------------------|-------|--|---------|
| k Net income (loss). Subtract line 2j from line 2d..... | 2k    |  | 6399714 |
| 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: MCGLADREY LLP

(2) EIN: 42-0714325

**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   |    | 47662  |
| 4b |     | X  |        |

|                                                                                                                                                                                                                               | Yes | No | Amount  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|---------|
| <b>c</b> 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  |         |
| <b>4c</b>                                                                                                                                                                                                                     |     |    |         |
| <b>d</b> 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  |         |
| <b>4d</b>                                                                                                                                                                                                                     |     |    |         |
| <b>e</b> Was this plan covered by a fidelity bond? .....                                                                                                                                                                      | X   |    | 5000000 |
| <b>4e</b>                                                                                                                                                                                                                     |     |    |         |
| <b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? .....                                                                                       |     | X  |         |
| <b>4f</b>                                                                                                                                                                                                                     |     |    |         |
| <b>g</b> 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  |         |
| <b>4g</b>                                                                                                                                                                                                                     |     |    |         |
| <b>h</b> 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  |         |
| <b>4h</b>                                                                                                                                                                                                                     |     |    |         |
| <b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) .....                                                                | X   |    |         |
| <b>4i</b>                                                                                                                                                                                                                     |     |    |         |
| <b>j</b> 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  |         |
| <b>4j</b>                                                                                                                                                                                                                     |     |    |         |
| <b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? .....                                                           |     | X  |         |
| <b>4k</b>                                                                                                                                                                                                                     |     |    |         |
| <b>l</b> Has the plan failed to provide any benefit when due under the plan? .....                                                                                                                                            |     | X  |         |
| <b>4l</b>                                                                                                                                                                                                                     |     |    |         |
| <b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) .....                                                                                                  |     | X  |         |
| <b>4m</b>                                                                                                                                                                                                                     |     |    |         |
| <b>n</b> 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. ....                                      |     |    |         |
| <b>4n</b>                                                                                                                                                                                                                     |     |    |         |

**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)

|                         |                       |
|-------------------------|-----------------------|
| <b>6a</b> Name of trust | <b>6b</b> Trust's EIN |
|                         |                       |

|                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                            |                                                                                            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|
| <b>SCHEDULE R</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Retirement Plan Information</b><br><br>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).<br><br>▶ <b>File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><b>2014</b><br><br><b>This Form is Open to Public Inspection.</b> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|

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

|                                                                                                |                                                                    |
|------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|
| <b>A</b> Name of plan<br><u>CARGOTEC HOLDING, INC. 401(K) PLAN</u>                             | <b>B</b> Three-digit plan number (PN) ▶<br><u>001</u>              |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>CARGOTEC HOLDING, INC.</u> | <b>D</b> Employer Identification Number (EIN)<br><u>58-1730881</u> |

|               |                      |
|---------------|----------------------|
| <b>Part I</b> | <b>Distributions</b> |
|---------------|----------------------|

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

|                                                                                                                                                                                                                                                                    |          |          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|----------|
| <b>1</b> Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....                                                                                                                              | <b>1</b> | <u>0</u> |
| <b>2</b> 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):<br><br>EIN(s): <u>22-1211670</u> |          |          |
| <b>Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.</b>                                                                                                                                                                                            |          |          |
| <b>3</b> Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....                                                                                                                                    | <b>3</b> |          |

|                |                                                                                                                                                                              |
|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part II</b> | <b>Funding Information</b> (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) |
|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                                                                                                                                                                                                           |                              |                             |                              |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------------|------------------------------|
| <b>4</b> Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....                                                                                                                                                                                                                                                       | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| <b>If the plan is a defined benefit plan, go to line 8.</b>                                                                                                                                                                                                                                                                                                               |                              |                             |                              |
| <b>5</b> 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. <b>Date:</b> Month _____ Day _____ Year _____<br><b>If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.</b> |                              |                             |                              |
| <b>6 a</b> Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....                                                                                                                                                                                                                             | <b>6a</b>                    |                             |                              |
| <b>b</b> Enter the amount contributed by the employer to the plan for this plan year.....                                                                                                                                                                                                                                                                                 | <b>6b</b>                    |                             |                              |
| <b>c</b> 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) .....                                                                                                                                                                                                                          | <b>6c</b>                    |                             |                              |
| <b>If you completed line 6c, skip lines 8 and 9.</b>                                                                                                                                                                                                                                                                                                                      |                              |                             |                              |
| <b>7</b> Will the minimum funding amount reported on line 6c be met by the funding deadline?.....                                                                                                                                                                                                                                                                         | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| <b>8</b> 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?.....                                                                                                | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |

|                 |                   |
|-----------------|-------------------|
| <b>Part III</b> | <b>Amendments</b> |
|-----------------|-------------------|

|                                                                                                                                                                                                                            |                                   |                                   |                               |                             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-------------------------------|-----------------------------|
| <b>9</b> 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..... | <input type="checkbox"/> Increase | <input type="checkbox"/> Decrease | <input type="checkbox"/> Both | <input type="checkbox"/> No |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-------------------------------|-----------------------------|

|                |                                                                                                                                                   |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part IV</b> | <b>ESOPs</b> (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. |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                             |                              |                             |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------------|
| <b>10</b> Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? .....                                                     | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>11 a</b> Does the ESOP hold any preferred stock? .....                                                                                                                                   | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>b</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.)..... | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>12</b> Does the ESOP hold any stock that is not readily tradable on an established securities market? .....                                                                              | <input type="checkbox"/> Yes | <input type="checkbox"/> 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:

|                                                                          |            |  |
|--------------------------------------------------------------------------|------------|--|
| <b>a</b> The current year .....                                          | <b>14a</b> |  |
| <b>b</b> The plan year immediately preceding the current plan year ..... | <b>14b</b> |  |
| <b>c</b> The second preceding plan year .....                            | <b>14c</b> |  |

- 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:

|                                                                                                       |            |  |
|-------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> The corresponding number for the plan year immediately preceding the current plan year ..... | <b>15a</b> |  |
| <b>b</b> The corresponding number for the second preceding plan year .....                            | <b>15b</b> |  |

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

|                                                                                                                                                                        |            |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> Enter the number of employers who withdrew during the preceding plan year .....                                                                               | <b>16a</b> |  |
| <b>b</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 ..... | <b>16b</b> |  |

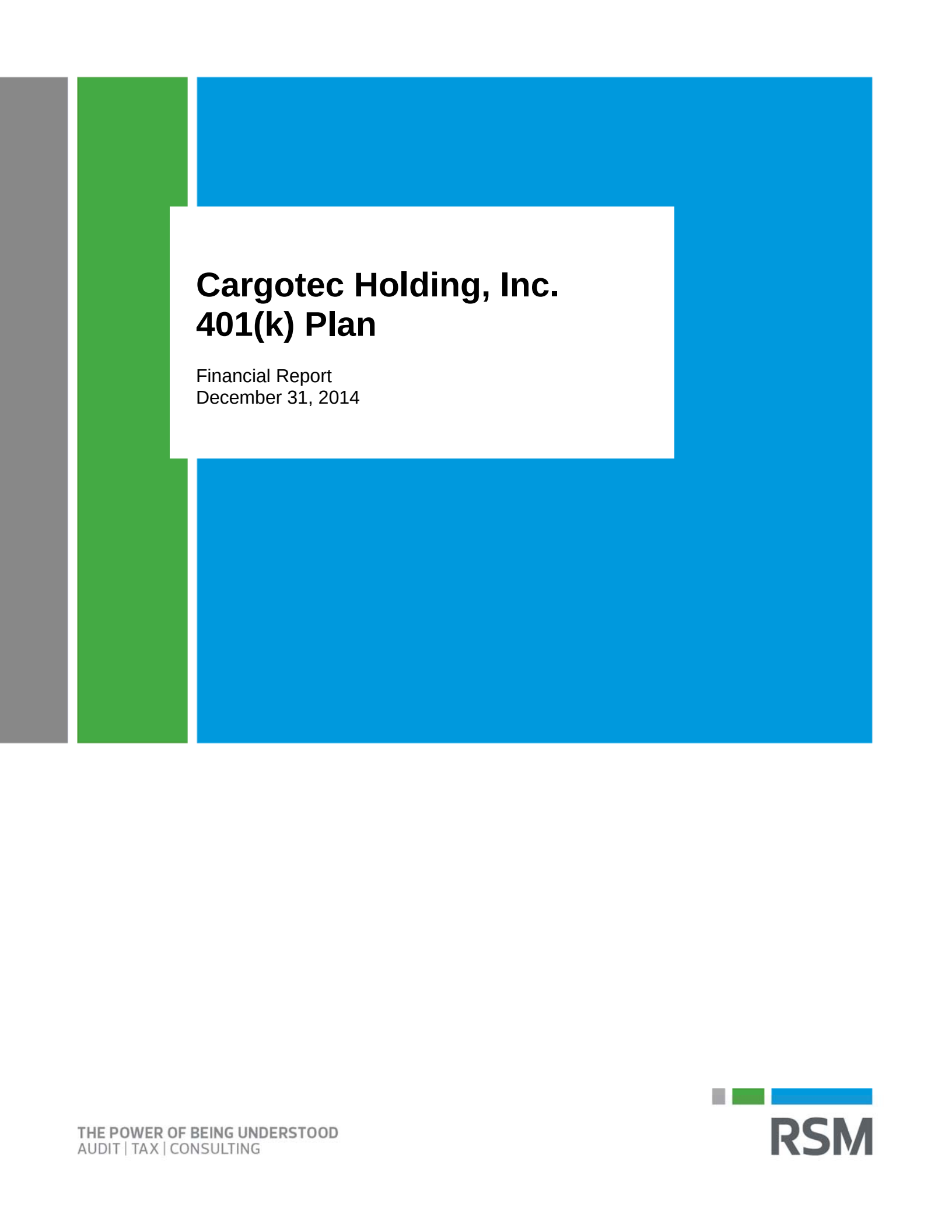
- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. .... ☐

**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): \_\_\_\_\_



# **Cargotec Holding, Inc. 401(k) Plan**

Financial Report  
December 31, 2014

## Contents

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**Independent Auditor's Report**

To the Participants and Retirement Committee  
Cargotec Holding, Inc. 401(k) Plan  
Ottawa, Kansas

**Report on the Financial Statements**

We were engaged to audit the accompanying financial statements of Cargotec Holding, Inc. 401(k) Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2014 and 2013, 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**

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 or provided by Prudential Retirement Insurance and Annuity Company and Prudential Bank & Trust, F.S.B, the trustees of the Plan, except for comparing this information with the related information included in the financial statements. We have been informed by the Plan Administrator that the trustees hold the Plan's assets and execute transactions. The Plan Administrator has obtained certifications from the trustees 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 trustees is complete and accurate.

**Disclaimer of Opinion**

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

**Other Matter**

The supplemental schedules of assets (held at end of year) as of December 31, 2014 and delinquent participation contributions for the year ended December 31, 2014 are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purposes of additional analysis and are not a required part of the financial statements. The supplemental schedules are the responsibility of the Plan's management. 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 schedules.

**Report on Form and Content in Compliance With the Department of Labor's Rules and Regulations**

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified or provided by the trustees, 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.

*RSM US LLP*

Kansas City, Missouri  
January 20, 2016

**Cargotec Holding, Inc. 401(k) Plan**

**Statements of Net Assets Available for Benefits  
December 31, 2014 and 2013**

|                                                      | 2014                 | 2013                 |
|------------------------------------------------------|----------------------|----------------------|
| <b>Assets</b>                                        |                      |                      |
| Investments at fair value (Notes 3 and 4):           |                      |                      |
| Mutual funds                                         | \$ 43,448,262        | \$ 60,627,583        |
| Brokerage accounts                                   | 187,904              | 186,965              |
| Pooled separate accounts                             | 22,718,739           | 545,867              |
| Unallocated deposit administration contract (Note 5) | 18,381,315           | 17,117,835           |
| <b>Total investments</b>                             | <b>84,736,220</b>    | <b>78,478,250</b>    |
| Notes receivable from participants                   | 1,794,298            | 1,652,554            |
| <b>Net assets available for benefits</b>             | <b>\$ 86,530,518</b> | <b>\$ 80,130,804</b> |

See notes to financial statements.

**Cargotec Holding, Inc. 401(k) Plan**

**Statement of Changes in Net Assets Available for Benefits  
Year Ended December 31, 2014**

|                                                       |                             |
|-------------------------------------------------------|-----------------------------|
| Additions to net assets attributed to:                |                             |
| Investment income (Notes 3 and 4):                    |                             |
| Net appreciation in fair value of investments         | \$ 3,307,736                |
| Interest and dividends                                | 848,266                     |
|                                                       | <u>4,156,002</u>            |
| Interest income on notes receivable from participants | <u>74,890</u>               |
| Contributions:                                        |                             |
| Employer                                              | 2,433,919                   |
| Participants'                                         | 5,559,987                   |
| Rollovers                                             | 166,998                     |
|                                                       | <u>8,160,904</u>            |
| <b>Total additions</b>                                | <u>12,391,796</u>           |
| Deductions from net assets attributed to:             |                             |
| Benefits paid to participants                         | 5,971,883                   |
| Administrative expenses (Notes 6 and 10)              | 20,199                      |
| <b>Total deductions</b>                               | <u>5,992,082</u>            |
| <b>Net increase</b>                                   | <u>6,399,714</u>            |
| Net assets available for benefits:                    |                             |
| Beginning of year                                     | <u>80,130,804</u>           |
| End of year                                           | <u><u>\$ 86,530,518</u></u> |

See notes to financial statements.

## Cargotec Holding, Inc. 401(k) Plan

### Notes to Financial Statements

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#### Note 1. Plan Description

The following description of the Cargotec Holding, Inc. 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

**General:** The Plan is a defined contribution plan covering all employees of the Company (Cargotec Holding, Inc. and related entities Cargotec USA Inc., Cargotec Solutions LLC and Cargotec Port Security LLC, Watco Lift Corp; Navis LLC and Navis International LLC), and are not represented by a collective bargaining agreement. Effective January 1, 2103, covered employees became eligible to participate immediately upon hire. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

**Contributions:** Participants may elect to contribute up to 100 percent of their eligible compensation to the Plan on a tax-deferred basis, subject to limitations imposed by the Internal Revenue Service (IRS). Participants who are 50 by the end of the Plan year and who are making deferral contributions to the Plan may also make catch-up contributions. All participant contributions and related earnings are fully vested. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans.

The Company makes matching contributions to the Plan on behalf of all eligible participants. The matching contribution is limited to 100 percent of the participant's contribution up to 3 percent of the employee's compensation and 50 percent of the participant's contribution for the next 2 percent of the employee's compensation under Safe Harbor plan provisions. The Plan also allows for a discretionary contribution by the Company. There were no discretionary contributions made for the year ended December 31, 2014.

**Participant accounts:** Each participant's account is credited with the participant's contribution and allocations of (a) the Company's matching and discretionary contributions and (b) Plan earnings, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

**Vesting:** Participants are immediately vested in their contributions plus actual earnings thereon. Participants are immediately vested in the Company's matching contributions made after January 1, 2005. Vesting in the Company's matching contribution made prior to January 1, 2005 and the discretionary contribution portion of their accounts plus actual earnings thereon is based on whole years of service. These contributions and related earnings vest to participants 20 percent per year for each year of service. A participant is fully vested after five years of service.

**Payment of benefits:** The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. Upon retirement, death, or disability, participants become 100 percent vested in their account and will receive their distribution in a lump-sum amount. Upon termination, participants will receive their vested account balances in a lump sum amount.

## Cargotec Holding, Inc. 401(k) Plan

### Notes to Financial Statements

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#### Note 1. Plan Description (Continued)

**Participants' investment options:** Participants direct their salary deferral and Company contributions to selected investments as made available and determined by the Plan each year. Participants may change their investment options from time to time via access to Prudential Retirement Insurance and Annuity Company.

**Forfeited accounts:** At December 31, 2014 and 2013, forfeited nonvested accounts totaled \$3,494 and \$32,106, respectively. These accounts will be used to reduce employer contributions and pay Plan expenses. During the year ended December 31, 2014, \$31,451 of forfeitures was used to pay Plan expenses or reduce employer contributions.

**Notes receivable from participants:** Participants may borrow from their accounts a minimum of \$1,000 and up to a maximum equal to the lesser of \$50,000 or 50 percent of their vested account balance. These transactions are treated as transfers between the investment fund and the participant notes receivable fund. The terms of the notes receivable cannot exceed five years, unless the note receivable is for the purchase of the employee's principal residence, which has a maximum 10-year repayment period. The notes receivable are secured by the balance in the participant's account and bear interest at rates commensurate with local prevailing rates as determined by the Plan Administrator. The interest rate ranged from 4.25 percent to 9.25 percent for all outstanding notes at December 31, 2014. Principal and interest are paid ratably through payroll deductions. Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent notes are treated as distributions based upon the terms of the plan document.

#### Note 2. Summary of Significant Accounting Policies

Following is a summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements.

**Basis of accounting:** The accounts of the Plan are maintained, and the accompanying financial statements have been prepared, on the accrual basis of accounting.

Investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. The Plan invests in investment contracts through an unallocated deposit administration contract. The Statement of Net Assets Available for Benefits presents the fair value of the investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis. Contract and fair value were determined by Prudential Retirement Insurance and Annuity Company, to be \$18,381,315 and \$17,117,835 at December 31, 2014 and 2013, respectively.

## Cargotec Holding, Inc. 401(k) Plan

### Notes to Financial Statements

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#### Note 2. Summary of Significant Accounting Policies (Continued)

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

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

**Use of estimates:** The preparation of the Plan's financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

**Administrative expenses:** The trustees of the Plan are responsible for the management and the record keeping of the Plan's assets. Certain administrative expenses and fees are paid directly by the Company.

**Payment of benefits:** Benefits are recorded when paid. There were no withdrawals approved but not yet paid at December 31, 2014.

**Recent accounting pronouncements:** In May 2015, The Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*. The amendments in this Update remove the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient. However, sufficient information must be provided to permit reconciliation of the fair value of assets categorized within the fair value hierarchy to the amounts presented in the statement of financial position. The amendments also remove the requirement to make certain disclosures for all investments that are eligible to be measured at fair value using the net asset value per share practical expedient. The amendments in this Update are effective for public business entities for fiscal years beginning after December 15, 2015. For all other entities, the amendments in this Update are effective for fiscal years beginning after December 15, 2016. Early adoption is permitted. Upon adoption, the amendments shall be applied retrospectively to all periods presented. Plan management is currently evaluating the impact this Update will have on the Plan's financial statements.

In July 2015, the FASB issued ASU No. 2015-12, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965)—(I) Fully Benefit-Responsive Investment Contracts, (II) Plan Investment Disclosures, and (III) Measurement Date Practical Expedient (a consensus of the FASB Emerging Issues Task Force)*. The purpose of this update is to simplify plan accounting.

- The amendments in Part I of this Update designate contract value as the only required measure for direct investments in fully benefit-responsive investment contracts. Fully benefit-responsive investment contracts will be presented at contract value; accordingly, there will no longer be an adjustment from fair value to contract value on the face of the financial statements.

## Cargotec Holding, Inc. 401(k) Plan

### Notes to Financial Statements

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#### Note 2. Summary of Significant Accounting Policies (Continued)

- The amendments in Part II of this Update will eliminate the requirements for plans to disclose (1) individual investments that represent 5 percent or more of net assets available for benefits and (2) the net appreciation or depreciation for investments by general type for both participant-directed investments and nonparticipant-directed investments. The net appreciation or depreciation in investments for the period will still be required to be presented in the aggregate. In addition, if an investment is measured using the net asset value per share (or its equivalent) practical expedient in Topic 820 and that investment is in a fund that files a U.S. Department of Labor Form 5500, *Annual Return/Report of Employee Benefit Plans* as a direct filing entity, disclosure of that investment's strategy will no longer be required.
- The amendments in Part III of this Update reduce complexity in employee benefit plan accounting by providing a practical expedient that permits plans to measure investments and investment-related accounts as of a month-end date that is closest to the plan's fiscal year-end, when the fiscal period does not coincide with month-end.

The Update may be adopted in whole or by part (I, II, and III), as applicable. The amendments in this Update are effective for fiscal years beginning after December 15, 2015. Early adoption is permitted. Upon adoption, the amendments in Parts I and II shall be applied retrospectively to all periods presented; the amendments in Part III shall be applied prospectively. Plan management is currently evaluating the impact this Update will have on the Plan's financial statements.

#### Note 3. Information Certified and Provided by the Trustees

The following is a summary of the Plan's asset information as of December 31, 2014 and 2013, and for the year ended December 31, 2014, included throughout the Plan's financial statements and supplemental schedule, that was prepared by or derived from information provided by the Prudential Retirement Insurance and Annuity Company and Prudential Bank & Trust, F.S.B., the trustees, and furnished to the Plan Administrator. The Plan Administrator has obtained certifications from the trustees that information provided to the Plan Administrator by the trustees related to the following investments is complete and accurate. Accordingly, as permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to information in Note 4 and the supplemental schedule related to the following assets:

|                                             | December 31   |               |
|---------------------------------------------|---------------|---------------|
|                                             | 2014          | 2013          |
| Investment at fair value:                   |               |               |
| Mutual funds                                | \$ 43,448,262 | \$ 60,627,583 |
| Brokerage accounts                          | 187,904       | 186,965       |
| Pooled separate accounts                    | 22,718,739    | 545,867       |
| Unallocated deposit administration contract | 18,381,315    | 17,117,835    |
| Notes receivable from participants          | 1,794,298     | 1,652,554     |

The trustees also certified to the completeness and accuracy of \$3,307,736 of net appreciation in fair value of investments, \$848,266 of interest and dividends related to the aforementioned investments and \$74,890 related to interest on notes receivable from participants for the year ended December 31, 2014.

Notes to Financial Statements

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**Note 4. Fair Value Measurements**

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

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

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

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

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

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

The asset'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 31, 2014 and 2013.

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

**Brokerage accounts:** Brokerage accounts are valued at the value of the underlying investments at the end of the Plan year.

**Pooled separate accounts:** Unit value of pooled separate accounts is calculated based on the observable net asset value (NAV) of the underlying investments at the end of the Plan year.

**Unallocated deposit administration contract:** Unallocated deposit administration contract is valued at fair value by discounting the related cash flows on current yields of similar instruments with comparable durations considering the credit-worthiness of the issuer (see Note 5).

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

## Cargotec Holding, Inc. 401(k) Plan

### Notes to Financial Statements

#### Note 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 and 2013. Those assets over 5 percent or more of the Plan's net assets are presented separately.

|                                              | Assets at Fair Value as of December 31, 2014 |                      |                      |                      |
|----------------------------------------------|----------------------------------------------|----------------------|----------------------|----------------------|
|                                              | Level 1                                      | Level 2              | Level 3              | Total                |
| Mutual Funds:                                |                                              |                      |                      |                      |
| Large Cap Stock                              |                                              |                      |                      |                      |
| Vanguard Large Cap Index                     | \$ 6,394,919                                 | \$ -                 | \$ -                 | \$ 6,394,919         |
| Blackrock Equity Dividend                    | 9,374,457                                    | -                    | -                    | 9,374,457            |
| Mid Cap Stock                                |                                              |                      |                      |                      |
| Other                                        | 4,902,121                                    | -                    | -                    | 4,902,121            |
| Small Cap                                    |                                              |                      |                      |                      |
| Invesco Small Cap Val A                      | 6,226,533                                    | -                    | -                    | 6,226,533            |
| Other                                        | 5,197,864                                    | -                    | -                    | 5,197,864            |
| International                                |                                              |                      |                      |                      |
| America Funds Europacific Growth R4          | 9,210,943                                    | -                    | -                    | 9,210,943            |
| Other                                        | 889,203                                      | -                    | -                    | 889,203              |
| Income                                       |                                              |                      |                      |                      |
| Other                                        | 1,252,222                                    | -                    | -                    | 1,252,222            |
| Pooled Separate Accounts:                    |                                              |                      |                      |                      |
| Core Plus Bond                               | -                                            | 7,824,704            | -                    | 7,824,704            |
| Large Cap Growth                             | -                                            | 12,854,559           | -                    | 12,854,559           |
| Other                                        | -                                            | 2,039,476            | -                    | 2,039,476            |
| Unallocated deposit administration contract: |                                              |                      |                      |                      |
| Guaranteed Income Fund                       | -                                            | -                    | 18,381,315           | 18,381,315           |
| Brokerage Accounts:                          |                                              |                      |                      |                      |
| Other                                        | 187,904                                      | -                    | -                    | 187,904              |
|                                              | <u>\$ 43,636,166</u>                         | <u>\$ 22,718,739</u> | <u>\$ 18,381,315</u> | <u>\$ 84,736,220</u> |

## Cargotec Holding, Inc. 401(k) Plan

### Notes to Financial Statements

#### Note 4. Fair Value Measurements (Continued)

|                                              | Assets at Fair Value as of December 31, 2013 |                   |                      |                      |
|----------------------------------------------|----------------------------------------------|-------------------|----------------------|----------------------|
|                                              | Level 1                                      | Level 2           | Level 3              | Total                |
| Mutual Funds:                                |                                              |                   |                      |                      |
| Large Cap Stock                              |                                              |                   |                      |                      |
| Vanguard Large Cap Index                     | \$ 5,397,070                                 | \$ -              | \$ -                 | \$ 5,397,070         |
| Blackrock Equity Dividend                    | 8,421,696                                    | -                 | -                    | 8,421,696            |
| JP Morgan Large Cap Growth Select            | 11,454,763                                   | -                 | -                    | 11,454,763           |
| Mid Cap Stock                                |                                              |                   |                      |                      |
| Other                                        | 5,152,482                                    | -                 | -                    | 5,152,482            |
| Small Cap                                    |                                              |                   |                      |                      |
| Invesco Small Cap Val A                      | 6,107,656                                    | -                 | -                    | 6,107,656            |
| Other                                        | 5,269,043                                    | -                 | -                    | 5,269,043            |
| International                                |                                              |                   |                      |                      |
| America Funds Europacific Growth R4          | 9,092,308                                    | -                 | -                    | 9,092,308            |
| Other                                        | 911,762                                      | -                 | -                    | 911,762              |
| Income                                       |                                              |                   |                      |                      |
| Pimco Total Return A                         | 7,396,093                                    | -                 | -                    | 7,396,093            |
| Other                                        | 1,424,710                                    | -                 | -                    | 1,424,710            |
| Pooled Separate Accounts:                    |                                              |                   |                      |                      |
| Other                                        | -                                            | 545,867           | -                    | 545,867              |
| Unallocated deposit administration contract: |                                              |                   |                      |                      |
| Guaranteed Income Fund                       | -                                            | -                 | 17,117,835           | 17,117,835           |
| Brokerage Accounts:                          |                                              |                   |                      |                      |
| Other                                        | 186,965                                      | -                 | -                    | 186,965              |
|                                              | <u>\$ 60,814,548</u>                         | <u>\$ 545,867</u> | <u>\$ 17,117,835</u> | <u>\$ 78,478,250</u> |

**Changes in fair value levels:** To assess the appropriate classification of investments within the fair value hierarchy, the availability of market data is monitored. Changes in economic conditions or valuation techniques may require the transfer of investments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

The Retirement Committee evaluates the significance of transfers between levels based upon the nature of the investment and size of the transfer relative to total net assets available for benefits. For the year ended December 31, 2014, there were no transfers in or out of Level 3.

# Cargotec Holding, Inc. 401(k) Plan

## Notes to Financial Statements

### Note 4. Fair Value Measurements (Continued)

**Quantitative information about significant unobservable inputs used in Level 3 fair value measurements:** The following table represents the Plan's Level 3 financial instruments, the valuation techniques used to measure the fair value of those financial instruments, and the significant unobservable inputs and the ranges of values for those inputs.

| Instrument                                  | 2014<br>Fair Value | 2013<br>Fair Value | Principal<br>Valuation<br>Technique | Unobservable<br>Inputs | Range of<br>Significant<br>Input Values | Weighted<br>Average       |
|---------------------------------------------|--------------------|--------------------|-------------------------------------|------------------------|-----------------------------------------|---------------------------|
| Unallocated deposit administrative contract | \$ 18,381,315      | \$ 17,117,835      | Composite credit rate               | Minimum crediting rate | 1.50%                                   | 1.85%<br>(1.95% for 2013) |

**Level 3 gains and losses:** The table below sets forth a summary of changes in the fair value of the Plan's Level 3 assets for the year ended December 31, 2014 and 2013.

|                            | 2014                 | 2013                 |
|----------------------------|----------------------|----------------------|
| Balance, beginning of year | \$ 17,117,835        | \$ 16,093,267        |
| Purchases                  | 2,971,399            | 2,846,070            |
| Sales                      | (2,036,557)          | (2,150,518)          |
| Interest                   | 328,638              | 329,016              |
| Balance, end of year       | <u>\$ 18,381,315</u> | <u>\$ 17,117,835</u> |

**Changes in fair value and related gains and losses:** During 2014, the plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by \$3,307,736 as follows:

|                          |                     |
|--------------------------|---------------------|
| Mutual funds             | \$ 1,669,215        |
| Pooled separate accounts | 1,637,582           |
| Brokerage accounts       | 939                 |
|                          | <u>\$ 3,307,736</u> |

The following table sets forth additional disclosures of the Plan's investments whose fair value is estimated using net asset value per share (or its equivalent) as of December 31, 2014 and 2013.

| Investment               | Fair Value<br>12/31/2014 | Fair Value<br>12/31/2013 | Unfunded<br>Commitment | Redemption<br>Frequency | Redemption<br>Notice Period |
|--------------------------|--------------------------|--------------------------|------------------------|-------------------------|-----------------------------|
| Pooled Separate Account: |                          |                          |                        |                         |                             |
| Day One IFX Target       |                          |                          |                        |                         |                             |
| Balanced (a)             | \$ 669,699               | \$ 545,867               | None                   | Immediate               | None                        |
| Large Cap Growth (b)     | 12,854,559               | -                        | None                   | Immediate               | None                        |
| Core Plus Bond (c)       | 7,824,704                | -                        | None                   | Immediate               | None                        |
| Mid Cap Growth (d)       | 1,369,777                | -                        | None                   | Immediate               | None                        |
|                          | <u>\$ 22,718,739</u>     | <u>\$ 545,867</u>        |                        |                         |                             |

## **Cargotec Holding, Inc. 401(k) Plan**

### **Notes to Financial Statements**

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#### **Note 4. Fair Value Measurements (Continued)**

- (a) The investment seeks to provide a disciplined and diversified investment solution by designing the asset allocation to provide a reliable source of lifetime income.
- (b) This investment seeks to outperform the Russell 1000 Growth Index over a full market cycle while controlling risk.
- (c) This investment seeks to add +150bps of annualized excess return over a broad U.S. bond market index over a full market cycle by emphasizing relative-value based sector allocation, research-based security selection and modest duration and yield curve positioning.
- (d) This investment seeks to outperform the Russell Midcap Growth Index on a rolling three-year basis by investing in mid-size companies that can generate above average earnings growth.

#### **Note 5. Unallocated Deposit Administration Contract**

The Plan has a benefit-responsive unallocated deposit administration contract with Prudential Retirement Insurance and Annuity Company (Prudential). Prudential maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The contract is included in the financial statements at contract value as reported to the Plan by Prudential. Contract value represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. Prudential is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan.

As described in Note 2, because the unallocated deposit administration contract is fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the unallocated deposit administration contract. Contract value, as reported to the Plan by Prudential, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses.

There are no reserves against contract value for credit risk of the contract issuer or otherwise. The fair value of the unallocated deposit administration contract at December 31, 2014 and 2013 was \$18,381,315 and \$17,117,835, respectively. The crediting interest rate is based on a formula agreed upon with the issuer, but may be not less than 1.5 percent. Such interest rates are reviewed on a semi-annual basis for resetting.

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (1) amendments to the Plan documents (including complete or partial Plan termination or merger with another plan), (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Plan sponsor or other Plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA. The Plan Administrator does not believe that the occurrence of any events which would limit the Plan's ability to transact at contract value with participants is probable of occurring.

## **Cargotec Holding, Inc. 401(k) Plan**

### **Notes to Financial Statements**

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#### **Note 5. Unallocated Deposit Administration Contract (Continued)**

The unallocated deposit administration contract does not permit the insurance company to terminate the agreement prior to 90 days written notice.

|                                                 | <u>2014</u> |
|-------------------------------------------------|-------------|
| Average yields:                                 |             |
| Based on actual earnings                        | 1.85%       |
| Based on interest rate credited to participants | 1.85%       |

#### **Note 6. Administrative Expenses**

Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan. Certain other administrative expenses are paid directly by the Plan.

#### **Note 7. Plan Termination**

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

#### **Note 8. Tax Status**

The underlying nonstandard prototype plan has received an opinion letter from the IRS dated March 31, 2008, stating that the form of the Plan is qualified under Section 401(a) of the Code, and, therefore, the related trust is tax-exempt. The Plan sponsor has determined that it is eligible to, and has chosen to rely on the current IRS prototype plan opinion letter. Although the Plan has been amended since the prototype plan received the opinion letter, the Plan Administrator believes the Plan is designed, and is being operated, in compliance with the applicable provisions of the Internal Revenue Code.

Management evaluated the Plan's tax positions and concluded that the Plan had maintained its tax-exempt status and had taken no uncertain tax positions that require recognition or disclosure in the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements. With few exceptions, the Plan is no longer subject to income tax examinations by the U.S. federal, state, or local tax authorities for years before 2011.

#### **Note 9. Risks and Uncertainties**

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

## **Cargotec Holding, Inc. 401(k) Plan**

### **Notes to Financial Statements**

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#### **Note 10. Related-Party Transactions**

Certain Plan assets are non-interest-bearing cash, pooled separate accounts and unallocated deposit administration contracts managed by Prudential Bank and Trust, F.S.B. and Prudential Retirement Insurance and Annuity Company. Prudential Bank and Trust, F.S.B. and Prudential Retirement Insurance and Annuity Company are the trustees of the Plan and, therefore, these transactions qualify as party-in-interest transactions. Fees paid by the Plan for the services amounted to \$20,199 for the year ended December 31, 2014.

#### **Note 11. Prohibited Transactions**

During the years ended December 31, 2014 and 2013, the Plan Sponsor inadvertently failed to deposit \$8,264 and \$39,398, respectively, of participant deferrals within the interpreted timeframe as stated by the United States Department of Labor (DOL). The DOL considers late deposits to be prohibited transactions. The Plan Sponsor will file a Form 5330 and pay the applicable excise tax for the 2014 late deposits in 2015. The Plan Sponsor filed a Form 5330 and paid the applicable excise tax for the 2013 late deposits in 2014. Excise tax payments are made from the Plan Sponsor's assets and not from assets of the Plan.

#### **Note 12. Subsequent Event**

Management has evaluated and disclosed subsequent events up to and including January 20, 2016, which is the date the financial statements were available to be issued.

**Cargotec Holding, Inc. 401(k) Plan**  
**Employer Identification Number 58-1730881**  
**Plan Number 001**

**Schedule H, Part IV, Item 4a—Schedule of Delinquent Participant Contributions**  
**For the Year Ended December 31, 2014**

| Participant Contributions   |                   |                                                          |                    |               |  |                       |
|-----------------------------|-------------------|----------------------------------------------------------|--------------------|---------------|--|-----------------------|
| Transferred Late to Plan    |                   | Total that Constitute Prohibited Non Exempt Transactions |                    |               |  |                       |
| \$                          | 47,662            | \$                                                       | 47,662             |               |  |                       |
| <hr/>                       |                   |                                                          |                    |               |  |                       |
| [ ] Check Here If Late      |                   | Contributions                                            |                    | Contributions |  | Total Fully Corrected |
| Participant Loan Repayments | Contributions Not | Corrected Outside                                        | Pending Correction |               |  | Under VFCP and        |
| are Included                | Corrected         | VFCP                                                     | in VFCP            |               |  | PTE 2002-51           |
| <hr/>                       |                   |                                                          |                    |               |  |                       |
| 2014                        | \$ 8,264          | \$ -                                                     | \$ -               |               |  | -                     |
| 2013                        | \$ -              | \$ 39,398                                                | \$ -               |               |  | -                     |

Participant contributions were not remitted on a timely basis during the years ended December 31, 2014 and 2013. The Form 5330 for the 2014 contributions will be filed with the applicable excise taxes in 2013. The Form 5330 for the 2013 contributions was filed with the applicable excise taxes in 2014.

**Cargotec Holding Inc. 401(k) Plan**  
**Employer Identification Number 58-1730881**  
**Plan Number 001**

**Schedule H, Part IV, Item 4i—Schedule of Assets (Held at End of Year)**  
**December 31, 2014**

| Identity of Issuer,<br>Borrower, Lessor or<br>Similar Party | Description of Investment,<br>Including Maturity Date,<br>Rate of Interest, Collateral,<br>Par or Maturity Value | Number of<br>Shares or<br>Principal<br>Amount | Fair<br>Value               |
|-------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|-----------------------------|
| <b>Mutual Funds</b>                                         |                                                                                                                  |                                               |                             |
| Blackrock                                                   | Inflt Pro Bond IV A                                                                                              | 37,561                                        | \$ 397,390                  |
| Vanguard                                                    | Mid Cap Index Fund                                                                                               | 74,881                                        | 2,524,982                   |
| T Rowe Price                                                | Mid Cap Value Add                                                                                                | 82,856                                        | 2,377,138                   |
| Oppenhiemer                                                 | Developing Markets A                                                                                             | 25,034                                        | 889,203                     |
| Vanguard                                                    | Small Cap Index                                                                                                  | 29,782                                        | 1,663,648                   |
| Vanguard                                                    | Large Cap Index                                                                                                  | 167,758                                       | 6,394,919                   |
| Templeton                                                   | Global Bond Fund A                                                                                               | 68,606                                        | 854,832                     |
| Buffalo                                                     | Small Cap Fund                                                                                                   | 111,807                                       | 3,534,216                   |
| Blackrock                                                   | Equity Dividend                                                                                                  | 376,484                                       | 9,374,457                   |
| Invesco                                                     | Small Cap Val A                                                                                                  | 317,033                                       | 6,226,533                   |
| America Funds                                               | Europacific Growth R4                                                                                            | 188,715                                       | 9,210,943                   |
| <b>Unallocated Deposit Administration Contract</b>          |                                                                                                                  |                                               |                             |
| Prudential Retirement Insurance *<br>and Annuity Company    | Guaranteed Income Fund                                                                                           | 618,012                                       | 18,381,315                  |
| <b>Pooled Separate Accounts</b>                             |                                                                                                                  |                                               |                             |
| Prudential Retirement Insurance *<br>and Annuity Company    | Day One IFX Target Balanced                                                                                      | 35,406                                        | 669,699                     |
| Prudential Retirement Insurance *<br>and Annuity Company    | Large Cap Growth                                                                                                 | 592,910                                       | 12,854,559                  |
| Prudential Retirement Insurance *<br>and Annuity Company    | Core Plus Bond                                                                                                   | 383,819                                       | 7,824,704                   |
| Prudential Retirement Insurance *<br>and Annuity Company    | Mid Cap Growth                                                                                                   | 96,972                                        | 1,369,777                   |
| <b>Brokerage Accounts</b>                                   |                                                                                                                  |                                               |                             |
| Prudential Retirement *                                     | Brokerage Accounts                                                                                               |                                               | 187,904                     |
| <b>Participants *</b>                                       |                                                                                                                  |                                               |                             |
|                                                             | Loans (interest rates of<br>4.25%–10.25%)                                                                        |                                               | 1,794,298                   |
|                                                             |                                                                                                                  |                                               | <u><u>\$ 86,530,517</u></u> |

\*Represents a party-in-interest.

The accompanying notes are an integral part of this schedule.

The above information has been certified or provided by Prudential Retirement Insurance and Annuity Company and Prudential Bank & Trust F.S.B., the trustees, as complete and accurate.



# **Cargotec Holding, Inc. 401(k) Plan**

Financial Report  
December 31, 2014

## Contents

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**Independent Auditor's Report**

To the Participants and Retirement Committee  
Cargotec Holding, Inc. 401(k) Plan  
Ottawa, Kansas

**Report on the Financial Statements**

We were engaged to audit the accompanying financial statements of Cargotec Holding, Inc. 401(k) Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2014 and 2013, 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**

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 or provided by Prudential Retirement Insurance and Annuity Company and Prudential Bank & Trust, F.S.B, the trustees of the Plan, except for comparing this information with the related information included in the financial statements. We have been informed by the Plan Administrator that the trustees hold the Plan's assets and execute transactions. The Plan Administrator has obtained certifications from the trustees 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 trustees is complete and accurate.

**Disclaimer of Opinion**

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

**Other Matter**

The supplemental schedules of assets (held at end of year) as of December 31, 2014 and delinquent participation contributions for the year ended December 31, 2014 are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purposes of additional analysis and are not a required part of the financial statements. The supplemental schedules are the responsibility of the Plan's management. 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 schedules.

**Report on Form and Content in Compliance With the Department of Labor's Rules and Regulations**

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified or provided by the trustees, 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.

*RSM US LLP*

Kansas City, Missouri  
January 20, 2016

**Cargotec Holding, Inc. 401(k) Plan**

**Statements of Net Assets Available for Benefits  
December 31, 2014 and 2013**

|                                                      | 2014                 | 2013                 |
|------------------------------------------------------|----------------------|----------------------|
| <b>Assets</b>                                        |                      |                      |
| Investments at fair value (Notes 3 and 4):           |                      |                      |
| Mutual funds                                         | \$ 43,448,262        | \$ 60,627,583        |
| Brokerage accounts                                   | 187,904              | 186,965              |
| Pooled separate accounts                             | 22,718,739           | 545,867              |
| Unallocated deposit administration contract (Note 5) | 18,381,315           | 17,117,835           |
| <b>Total investments</b>                             | <b>84,736,220</b>    | <b>78,478,250</b>    |
| Notes receivable from participants                   | 1,794,298            | 1,652,554            |
| <b>Net assets available for benefits</b>             | <b>\$ 86,530,518</b> | <b>\$ 80,130,804</b> |

See notes to financial statements.

**Cargotec Holding, Inc. 401(k) Plan**

**Statement of Changes in Net Assets Available for Benefits  
Year Ended December 31, 2014**

|                                                       |               |
|-------------------------------------------------------|---------------|
| <hr/>                                                 |               |
| Additions to net assets attributed to:                |               |
| Investment income (Notes 3 and 4):                    |               |
| Net appreciation in fair value of investments         | \$ 3,307,736  |
| Interest and dividends                                | 848,266       |
|                                                       | <hr/>         |
|                                                       | 4,156,002     |
|                                                       | <hr/>         |
| Interest income on notes receivable from participants | 74,890        |
|                                                       | <hr/>         |
| Contributions:                                        |               |
| Employer                                              | 2,433,919     |
| Participants'                                         | 5,559,987     |
| Rollovers                                             | 166,998       |
|                                                       | <hr/>         |
|                                                       | 8,160,904     |
|                                                       | <hr/>         |
| <b>Total additions</b>                                | 12,391,796    |
|                                                       | <hr/>         |
| Deductions from net assets attributed to:             |               |
| Benefits paid to participants                         | 5,971,883     |
| Administrative expenses (Notes 6 and 10)              | 20,199        |
|                                                       | <hr/>         |
| <b>Total deductions</b>                               | 5,992,082     |
|                                                       | <hr/>         |
| <b>Net increase</b>                                   | 6,399,714     |
|                                                       |               |
| Net assets available for benefits:                    |               |
| Beginning of year                                     | 80,130,804    |
|                                                       | <hr/>         |
| End of year                                           | \$ 86,530,518 |
|                                                       | <hr/>         |

See notes to financial statements.

## Cargotec Holding, Inc. 401(k) Plan

### Notes to Financial Statements

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#### Note 1. Plan Description

The following description of the Cargotec Holding, Inc. 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

**General:** The Plan is a defined contribution plan covering all employees of the Company (Cargotec Holding, Inc. and related entities Cargotec USA Inc., Cargotec Solutions LLC and Cargotec Port Security LLC, Watco Lift Corp; Navis LLC and Navis International LLC), and are not represented by a collective bargaining agreement. Effective January 1, 2103, covered employees became eligible to participate immediately upon hire. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

**Contributions:** Participants may elect to contribute up to 100 percent of their eligible compensation to the Plan on a tax-deferred basis, subject to limitations imposed by the Internal Revenue Service (IRS). Participants who are 50 by the end of the Plan year and who are making deferral contributions to the Plan may also make catch-up contributions. All participant contributions and related earnings are fully vested. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans.

The Company makes matching contributions to the Plan on behalf of all eligible participants. The matching contribution is limited to 100 percent of the participant's contribution up to 3 percent of the employee's compensation and 50 percent of the participant's contribution for the next 2 percent of the employee's compensation under Safe Harbor plan provisions. The Plan also allows for a discretionary contribution by the Company. There were no discretionary contributions made for the year ended December 31, 2014.

**Participant accounts:** Each participant's account is credited with the participant's contribution and allocations of (a) the Company's matching and discretionary contributions and (b) Plan earnings, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

**Vesting:** Participants are immediately vested in their contributions plus actual earnings thereon. Participants are immediately vested in the Company's matching contributions made after January 1, 2005. Vesting in the Company's matching contribution made prior to January 1, 2005 and the discretionary contribution portion of their accounts plus actual earnings thereon is based on whole years of service. These contributions and related earnings vest to participants 20 percent per year for each year of service. A participant is fully vested after five years of service.

**Payment of benefits:** The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. Upon retirement, death, or disability, participants become 100 percent vested in their account and will receive their distribution in a lump-sum amount. Upon termination, participants will receive their vested account balances in a lump sum amount.

## Cargotec Holding, Inc. 401(k) Plan

### Notes to Financial Statements

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#### Note 1. Plan Description (Continued)

**Participants' investment options:** Participants direct their salary deferral and Company contributions to selected investments as made available and determined by the Plan each year. Participants may change their investment options from time to time via access to Prudential Retirement Insurance and Annuity Company.

**Forfeited accounts:** At December 31, 2014 and 2013, forfeited nonvested accounts totaled \$3,494 and \$32,106, respectively. These accounts will be used to reduce employer contributions and pay Plan expenses. During the year ended December 31, 2014, \$31,451 of forfeitures was used to pay Plan expenses or reduce employer contributions.

**Notes receivable from participants:** Participants may borrow from their accounts a minimum of \$1,000 and up to a maximum equal to the lesser of \$50,000 or 50 percent of their vested account balance. These transactions are treated as transfers between the investment fund and the participant notes receivable fund. The terms of the notes receivable cannot exceed five years, unless the note receivable is for the purchase of the employee's principal residence, which has a maximum 10-year repayment period. The notes receivable are secured by the balance in the participant's account and bear interest at rates commensurate with local prevailing rates as determined by the Plan Administrator. The interest rate ranged from 4.25 percent to 9.25 percent for all outstanding notes at December 31, 2014. Principal and interest are paid ratably through payroll deductions. Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent notes are treated as distributions based upon the terms of the plan document.

#### Note 2. Summary of Significant Accounting Policies

Following is a summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements.

**Basis of accounting:** The accounts of the Plan are maintained, and the accompanying financial statements have been prepared, on the accrual basis of accounting.

Investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. The Plan invests in investment contracts through an unallocated deposit administration contract. The Statement of Net Assets Available for Benefits presents the fair value of the investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis. Contract and fair value were determined by Prudential Retirement Insurance and Annuity Company, to be \$18,381,315 and \$17,117,835 at December 31, 2014 and 2013, respectively.

## Cargotec Holding, Inc. 401(k) Plan

### Notes to Financial Statements

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#### Note 2. Summary of Significant Accounting Policies (Continued)

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

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

**Use of estimates:** The preparation of the Plan's financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

**Administrative expenses:** The trustees of the Plan are responsible for the management and the record keeping of the Plan's assets. Certain administrative expenses and fees are paid directly by the Company.

**Payment of benefits:** Benefits are recorded when paid. There were no withdrawals approved but not yet paid at December 31, 2014.

**Recent accounting pronouncements:** In May 2015, The Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*. The amendments in this Update remove the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient. However, sufficient information must be provided to permit reconciliation of the fair value of assets categorized within the fair value hierarchy to the amounts presented in the statement of financial position. The amendments also remove the requirement to make certain disclosures for all investments that are eligible to be measured at fair value using the net asset value per share practical expedient. The amendments in this Update are effective for public business entities for fiscal years beginning after December 15, 2015. For all other entities, the amendments in this Update are effective for fiscal years beginning after December 15, 2016. Early adoption is permitted. Upon adoption, the amendments shall be applied retrospectively to all periods presented. Plan management is currently evaluating the impact this Update will have on the Plan's financial statements.

In July 2015, the FASB issued ASU No. 2015-12, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965)—(I) Fully Benefit-Responsive Investment Contracts, (II) Plan Investment Disclosures, and (III) Measurement Date Practical Expedient (a consensus of the FASB Emerging Issues Task Force)*. The purpose of this update is to simplify plan accounting.

- The amendments in Part I of this Update designate contract value as the only required measure for direct investments in fully benefit-responsive investment contracts. Fully benefit-responsive investment contracts will be presented at contract value; accordingly, there will no longer be an adjustment from fair value to contract value on the face of the financial statements.

## Cargotec Holding, Inc. 401(k) Plan

### Notes to Financial Statements

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#### Note 2. Summary of Significant Accounting Policies (Continued)

- The amendments in Part II of this Update will eliminate the requirements for plans to disclose (1) individual investments that represent 5 percent or more of net assets available for benefits and (2) the net appreciation or depreciation for investments by general type for both participant-directed investments and nonparticipant-directed investments. The net appreciation or depreciation in investments for the period will still be required to be presented in the aggregate. In addition, if an investment is measured using the net asset value per share (or its equivalent) practical expedient in Topic 820 and that investment is in a fund that files a U.S. Department of Labor Form 5500, *Annual Return/Report of Employee Benefit Plans* as a direct filing entity, disclosure of that investment's strategy will no longer be required.
- The amendments in Part III of this Update reduce complexity in employee benefit plan accounting by providing a practical expedient that permits plans to measure investments and investment-related accounts as of a month-end date that is closest to the plan's fiscal year-end, when the fiscal period does not coincide with month-end.

The Update may be adopted in whole or by part (I, II, and III), as applicable. The amendments in this Update are effective for fiscal years beginning after December 15, 2015. Early adoption is permitted. Upon adoption, the amendments in Parts I and II shall be applied retrospectively to all periods presented; the amendments in Part III shall be applied prospectively. Plan management is currently evaluating the impact this Update will have on the Plan's financial statements.

#### Note 3. Information Certified and Provided by the Trustees

The following is a summary of the Plan's asset information as of December 31, 2014 and 2013, and for the year ended December 31, 2014, included throughout the Plan's financial statements and supplemental schedule, that was prepared by or derived from information provided by the Prudential Retirement Insurance and Annuity Company and Prudential Bank & Trust, F.S.B., the trustees, and furnished to the Plan Administrator. The Plan Administrator has obtained certifications from the trustees that information provided to the Plan Administrator by the trustees related to the following investments is complete and accurate. Accordingly, as permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to information in Note 4 and the supplemental schedule related to the following assets:

|                                             | December 31   |               |
|---------------------------------------------|---------------|---------------|
|                                             | 2014          | 2013          |
| Investment at fair value:                   |               |               |
| Mutual funds                                | \$ 43,448,262 | \$ 60,627,583 |
| Brokerage accounts                          | 187,904       | 186,965       |
| Pooled separate accounts                    | 22,718,739    | 545,867       |
| Unallocated deposit administration contract | 18,381,315    | 17,117,835    |
| Notes receivable from participants          | 1,794,298     | 1,652,554     |

The trustees also certified to the completeness and accuracy of \$3,307,736 of net appreciation in fair value of investments, \$848,266 of interest and dividends related to the aforementioned investments and \$74,890 related to interest on notes receivable from participants for the year ended December 31, 2014.

Notes to Financial Statements

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**Note 4. Fair Value Measurements**

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

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

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

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

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

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

The asset'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 31, 2014 and 2013.

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

**Brokerage accounts:** Brokerage accounts are valued at the value of the underlying investments at the end of the Plan year.

**Pooled separate accounts:** Unit value of pooled separate accounts is calculated based on the observable net asset value (NAV) of the underlying investments at the end of the Plan year.

**Unallocated deposit administration contract:** Unallocated deposit administration contract is valued at fair value by discounting the related cash flows on current yields of similar instruments with comparable durations considering the credit-worthiness of the issuer (see Note 5).

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

## Cargotec Holding, Inc. 401(k) Plan

### Notes to Financial Statements

#### Note 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 and 2013. Those assets over 5 percent or more of the Plan's net assets are presented separately.

|                                              | Assets at Fair Value as of December 31, 2014 |                      |                      |                      |
|----------------------------------------------|----------------------------------------------|----------------------|----------------------|----------------------|
|                                              | Level 1                                      | Level 2              | Level 3              | Total                |
| Mutual Funds:                                |                                              |                      |                      |                      |
| Large Cap Stock                              |                                              |                      |                      |                      |
| Vanguard Large Cap Index                     | \$ 6,394,919                                 | \$ -                 | \$ -                 | \$ 6,394,919         |
| Blackrock Equity Dividend                    | 9,374,457                                    | -                    | -                    | 9,374,457            |
| Mid Cap Stock                                |                                              |                      |                      |                      |
| Other                                        | 4,902,121                                    | -                    | -                    | 4,902,121            |
| Small Cap                                    |                                              |                      |                      |                      |
| Invesco Small Cap Val A                      | 6,226,533                                    | -                    | -                    | 6,226,533            |
| Other                                        | 5,197,864                                    | -                    | -                    | 5,197,864            |
| International                                |                                              |                      |                      |                      |
| America Funds Europacific Growth R4          | 9,210,943                                    | -                    | -                    | 9,210,943            |
| Other                                        | 889,203                                      | -                    | -                    | 889,203              |
| Income                                       |                                              |                      |                      |                      |
| Other                                        | 1,252,222                                    | -                    | -                    | 1,252,222            |
| Pooled Separate Accounts:                    |                                              |                      |                      |                      |
| Core Plus Bond                               | -                                            | 7,824,704            | -                    | 7,824,704            |
| Large Cap Growth                             | -                                            | 12,854,559           | -                    | 12,854,559           |
| Other                                        | -                                            | 2,039,476            | -                    | 2,039,476            |
| Unallocated deposit administration contract: |                                              |                      |                      |                      |
| Guaranteed Income Fund                       | -                                            | -                    | 18,381,315           | 18,381,315           |
| Brokerage Accounts:                          |                                              |                      |                      |                      |
| Other                                        | 187,904                                      | -                    | -                    | 187,904              |
|                                              | <u>\$ 43,636,166</u>                         | <u>\$ 22,718,739</u> | <u>\$ 18,381,315</u> | <u>\$ 84,736,220</u> |

## Cargotec Holding, Inc. 401(k) Plan

### Notes to Financial Statements

#### Note 4. Fair Value Measurements (Continued)

|                                              | Assets at Fair Value as of December 31, 2013 |                   |                      |                      |
|----------------------------------------------|----------------------------------------------|-------------------|----------------------|----------------------|
|                                              | Level 1                                      | Level 2           | Level 3              | Total                |
| Mutual Funds:                                |                                              |                   |                      |                      |
| Large Cap Stock                              |                                              |                   |                      |                      |
| Vanguard Large Cap Index                     | \$ 5,397,070                                 | \$ -              | \$ -                 | \$ 5,397,070         |
| Blackrock Equity Dividend                    | 8,421,696                                    | -                 | -                    | 8,421,696            |
| JP Morgan Large Cap Growth Select            | 11,454,763                                   | -                 | -                    | 11,454,763           |
| Mid Cap Stock                                |                                              |                   |                      |                      |
| Other                                        | 5,152,482                                    | -                 | -                    | 5,152,482            |
| Small Cap                                    |                                              |                   |                      |                      |
| Invesco Small Cap Val A                      | 6,107,656                                    | -                 | -                    | 6,107,656            |
| Other                                        | 5,269,043                                    | -                 | -                    | 5,269,043            |
| International                                |                                              |                   |                      |                      |
| America Funds Europacific Growth R4          | 9,092,308                                    | -                 | -                    | 9,092,308            |
| Other                                        | 911,762                                      | -                 | -                    | 911,762              |
| Income                                       |                                              |                   |                      |                      |
| Pimco Total Return A                         | 7,396,093                                    | -                 | -                    | 7,396,093            |
| Other                                        | 1,424,710                                    | -                 | -                    | 1,424,710            |
| Pooled Separate Accounts:                    |                                              |                   |                      |                      |
| Other                                        | -                                            | 545,867           | -                    | 545,867              |
| Unallocated deposit administration contract: |                                              |                   |                      |                      |
| Guaranteed Income Fund                       | -                                            | -                 | 17,117,835           | 17,117,835           |
| Brokerage Accounts:                          |                                              |                   |                      |                      |
| Other                                        | 186,965                                      | -                 | -                    | 186,965              |
|                                              | <u>\$ 60,814,548</u>                         | <u>\$ 545,867</u> | <u>\$ 17,117,835</u> | <u>\$ 78,478,250</u> |

**Changes in fair value levels:** To assess the appropriate classification of investments within the fair value hierarchy, the availability of market data is monitored. Changes in economic conditions or valuation techniques may require the transfer of investments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

The Retirement Committee evaluates the significance of transfers between levels based upon the nature of the investment and size of the transfer relative to total net assets available for benefits. For the year ended December 31, 2014, there were no transfers in or out of Level 3.

# Cargotec Holding, Inc. 401(k) Plan

## Notes to Financial Statements

### Note 4. Fair Value Measurements (Continued)

**Quantitative information about significant unobservable inputs used in Level 3 fair value measurements:** The following table represents the Plan's Level 3 financial instruments, the valuation techniques used to measure the fair value of those financial instruments, and the significant unobservable inputs and the ranges of values for those inputs.

| Instrument                                  | 2014<br>Fair Value | 2013<br>Fair Value | Principal<br>Valuation<br>Technique | Unobservable<br>Inputs | Range of<br>Significant<br>Input Values | Weighted<br>Average       |
|---------------------------------------------|--------------------|--------------------|-------------------------------------|------------------------|-----------------------------------------|---------------------------|
| Unallocated deposit administrative contract | \$ 18,381,315      | \$ 17,117,835      | Composite credit rate               | Minimum crediting rate | 1.50%                                   | 1.85%<br>(1.95% for 2013) |

**Level 3 gains and losses:** The table below sets forth a summary of changes in the fair value of the Plan's Level 3 assets for the year ended December 31, 2014 and 2013.

|                            | 2014                 | 2013                 |
|----------------------------|----------------------|----------------------|
| Balance, beginning of year | \$ 17,117,835        | \$ 16,093,267        |
| Purchases                  | 2,971,399            | 2,846,070            |
| Sales                      | (2,036,557)          | (2,150,518)          |
| Interest                   | 328,638              | 329,016              |
| Balance, end of year       | <u>\$ 18,381,315</u> | <u>\$ 17,117,835</u> |

**Changes in fair value and related gains and losses:** During 2014, the plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by \$3,307,736 as follows:

|                          |                     |
|--------------------------|---------------------|
| Mutual funds             | \$ 1,669,215        |
| Pooled separate accounts | 1,637,582           |
| Brokerage accounts       | 939                 |
|                          | <u>\$ 3,307,736</u> |

The following table sets forth additional disclosures of the Plan's investments whose fair value is estimated using net asset value per share (or its equivalent) as of December 31, 2014 and 2013.

| Investment               | Fair Value<br>12/31/2014 | Fair Value<br>12/31/2013 | Unfunded<br>Commitment | Redemption<br>Frequency | Redemption<br>Notice Period |
|--------------------------|--------------------------|--------------------------|------------------------|-------------------------|-----------------------------|
| Pooled Separate Account: |                          |                          |                        |                         |                             |
| Day One IFX Target       |                          |                          |                        |                         |                             |
| Balanced (a)             | \$ 669,699               | \$ 545,867               | None                   | Immediate               | None                        |
| Large Cap Growth (b)     | 12,854,559               | -                        | None                   | Immediate               | None                        |
| Core Plus Bond (c)       | 7,824,704                | -                        | None                   | Immediate               | None                        |
| Mid Cap Growth (d)       | 1,369,777                | -                        | None                   | Immediate               | None                        |
|                          | <u>\$ 22,718,739</u>     | <u>\$ 545,867</u>        |                        |                         |                             |

## **Cargotec Holding, Inc. 401(k) Plan**

### **Notes to Financial Statements**

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#### **Note 4. Fair Value Measurements (Continued)**

- (a) The investment seeks to provide a disciplined and diversified investment solution by designing the asset allocation to provide a reliable source of lifetime income.
- (b) This investment seeks to outperform the Russell 1000 Growth Index over a full market cycle while controlling risk.
- (c) This investment seeks to add +150bps of annualized excess return over a broad U.S. bond market index over a full market cycle by emphasizing relative-value based sector allocation, research-based security selection and modest duration and yield curve positioning.
- (d) This investment seeks to outperform the Russell Midcap Growth Index on a rolling three-year basis by investing in mid-size companies that can generate above average earnings growth.

#### **Note 5. Unallocated Deposit Administration Contract**

The Plan has a benefit-responsive unallocated deposit administration contract with Prudential Retirement Insurance and Annuity Company (Prudential). Prudential maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The contract is included in the financial statements at contract value as reported to the Plan by Prudential. Contract value represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. Prudential is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan.

As described in Note 2, because the unallocated deposit administration contract is fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the unallocated deposit administration contract. Contract value, as reported to the Plan by Prudential, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses.

There are no reserves against contract value for credit risk of the contract issuer or otherwise. The fair value of the unallocated deposit administration contract at December 31, 2014 and 2013 was \$18,381,315 and \$17,117,835, respectively. The crediting interest rate is based on a formula agreed upon with the issuer, but may be not less than 1.5 percent. Such interest rates are reviewed on a semi-annual basis for resetting.

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (1) amendments to the Plan documents (including complete or partial Plan termination or merger with another plan), (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Plan sponsor or other Plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA. The Plan Administrator does not believe that the occurrence of any events which would limit the Plan's ability to transact at contract value with participants is probable of occurring.

## **Cargotec Holding, Inc. 401(k) Plan**

### **Notes to Financial Statements**

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#### **Note 5. Unallocated Deposit Administration Contract (Continued)**

The unallocated deposit administration contract does not permit the insurance company to terminate the agreement prior to 90 days written notice.

|                                                 | <u>2014</u> |
|-------------------------------------------------|-------------|
| Average yields:                                 |             |
| Based on actual earnings                        | 1.85%       |
| Based on interest rate credited to participants | 1.85%       |

#### **Note 6. Administrative Expenses**

Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan. Certain other administrative expenses are paid directly by the Plan.

#### **Note 7. Plan Termination**

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

#### **Note 8. Tax Status**

The underlying nonstandard prototype plan has received an opinion letter from the IRS dated March 31, 2008, stating that the form of the Plan is qualified under Section 401(a) of the Code, and, therefore, the related trust is tax-exempt. The Plan sponsor has determined that it is eligible to, and has chosen to rely on the current IRS prototype plan opinion letter. Although the Plan has been amended since the prototype plan received the opinion letter, the Plan Administrator believes the Plan is designed, and is being operated, in compliance with the applicable provisions of the Internal Revenue Code.

Management evaluated the Plan's tax positions and concluded that the Plan had maintained its tax-exempt status and had taken no uncertain tax positions that require recognition or disclosure in the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements. With few exceptions, the Plan is no longer subject to income tax examinations by the U.S. federal, state, or local tax authorities for years before 2011.

#### **Note 9. Risks and Uncertainties**

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

## **Cargotec Holding, Inc. 401(k) Plan**

### **Notes to Financial Statements**

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#### **Note 10. Related-Party Transactions**

Certain Plan assets are non-interest-bearing cash, pooled separate accounts and unallocated deposit administration contracts managed by Prudential Bank and Trust, F.S.B. and Prudential Retirement Insurance and Annuity Company. Prudential Bank and Trust, F.S.B. and Prudential Retirement Insurance and Annuity Company are the trustees of the Plan and, therefore, these transactions qualify as party-in-interest transactions. Fees paid by the Plan for the services amounted to \$20,199 for the year ended December 31, 2014.

#### **Note 11. Prohibited Transactions**

During the years ended December 31, 2014 and 2013, the Plan Sponsor inadvertently failed to deposit \$8,264 and \$39,398, respectively, of participant deferrals within the interpreted timeframe as stated by the United States Department of Labor (DOL). The DOL considers late deposits to be prohibited transactions. The Plan Sponsor will file a Form 5330 and pay the applicable excise tax for the 2014 late deposits in 2015. The Plan Sponsor filed a Form 5330 and paid the applicable excise tax for the 2013 late deposits in 2014. Excise tax payments are made from the Plan Sponsor's assets and not from assets of the Plan.

#### **Note 12. Subsequent Event**

Management has evaluated and disclosed subsequent events up to and including January 20, 2016, which is the date the financial statements were available to be issued.

**Cargotec Holding, Inc. 401(k) Plan**  
**Employer Identification Number 58-1730881**  
**Plan Number 001**

**Schedule H, Part IV, Item 4a—Schedule of Delinquent Participant Contributions**  
**For the Year Ended December 31, 2014**

| Participant Contributions   |                   |                                                          |                    |               |  |                       |
|-----------------------------|-------------------|----------------------------------------------------------|--------------------|---------------|--|-----------------------|
| Transferred Late to Plan    |                   | Total that Constitute Prohibited Non Exempt Transactions |                    |               |  |                       |
| \$                          | 47,662            | \$                                                       | 47,662             |               |  |                       |
| <hr/>                       |                   |                                                          |                    |               |  |                       |
| [ ] Check Here If Late      |                   | Contributions                                            |                    | Contributions |  | Total Fully Corrected |
| Participant Loan Repayments | Contributions Not | Corrected Outside                                        | Pending Correction |               |  | Under VFCP and        |
| are Included                | Corrected         | VFCP                                                     | in VFCP            |               |  | PTE 2002-51           |
| <hr/>                       |                   |                                                          |                    |               |  |                       |
| 2014                        | \$ 8,264          | \$ -                                                     | \$ -               |               |  | -                     |
| 2013                        | \$ -              | \$ 39,398                                                | \$ -               |               |  | -                     |

Participant contributions were not remitted on a timely basis during the years ended December 31, 2014 and 2013. The Form 5330 for the 2014 contributions will be filed with the applicable excise taxes in 2013. The Form 5330 for the 2013 contributions was filed with the applicable excise taxes in 2014.

**Cargotec Holding Inc. 401(k) Plan**  
**Employer Identification Number 58-1730881**  
**Plan Number 001**

**Schedule H, Part IV, Item 4i—Schedule of Assets (Held at End of Year)**  
**December 31, 2014**

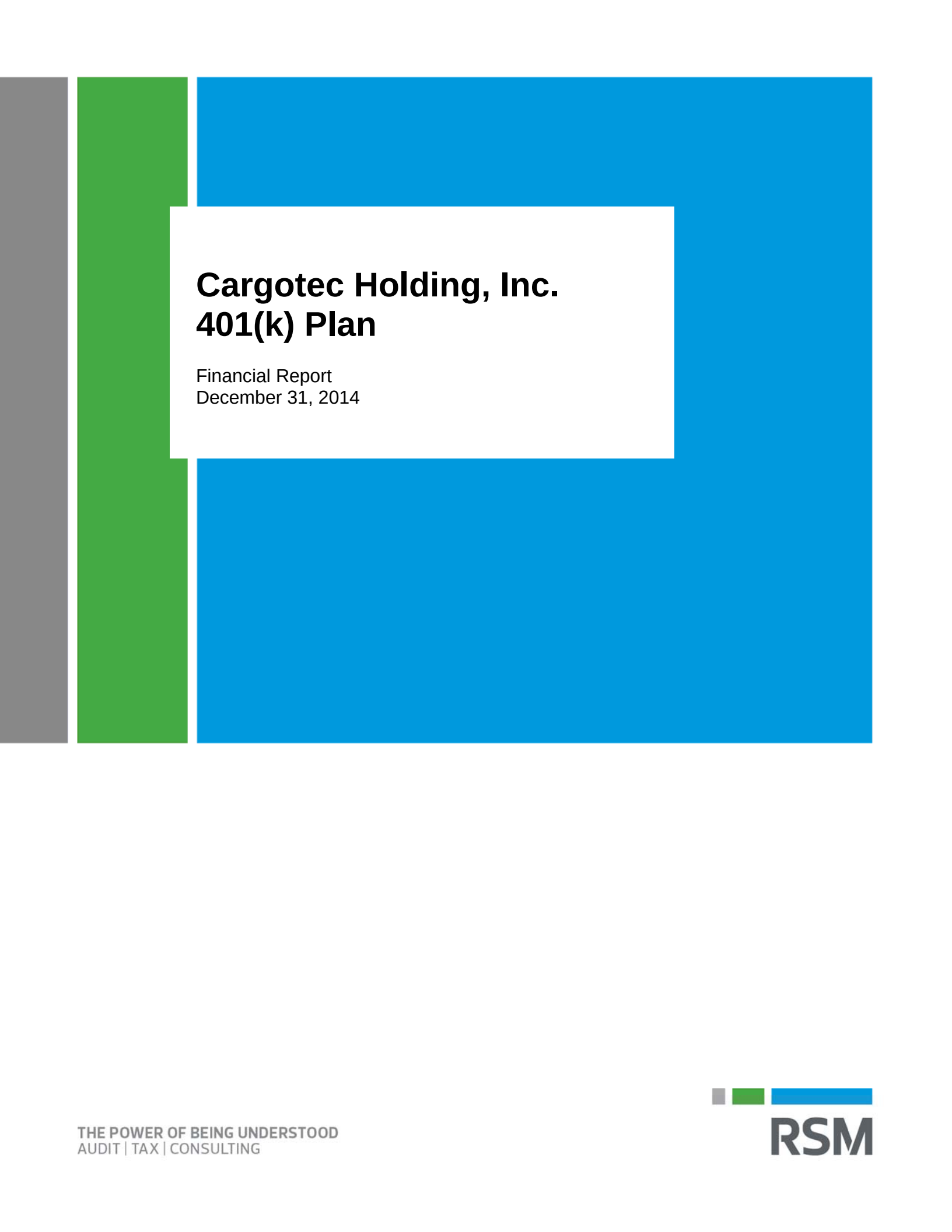
| Identity of Issuer,<br>Borrower, Lessor or<br>Similar Party | Description of Investment,<br>Including Maturity Date,<br>Rate of Interest, Collateral,<br>Par or Maturity Value | Number of<br>Shares or<br>Principal<br>Amount | Fair<br>Value               |
|-------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|-----------------------------|
| <b>Mutual Funds</b>                                         |                                                                                                                  |                                               |                             |
| Blackrock                                                   | Inflt Pro Bond IV A                                                                                              | 37,561                                        | \$ 397,390                  |
| Vanguard                                                    | Mid Cap Index Fund                                                                                               | 74,881                                        | 2,524,982                   |
| T Rowe Price                                                | Mid Cap Value Add                                                                                                | 82,856                                        | 2,377,138                   |
| Oppenhiemer                                                 | Developing Markets A                                                                                             | 25,034                                        | 889,203                     |
| Vanguard                                                    | Small Cap Index                                                                                                  | 29,782                                        | 1,663,648                   |
| Vanguard                                                    | Large Cap Index                                                                                                  | 167,758                                       | 6,394,919                   |
| Templeton                                                   | Global Bond Fund A                                                                                               | 68,606                                        | 854,832                     |
| Buffalo                                                     | Small Cap Fund                                                                                                   | 111,807                                       | 3,534,216                   |
| Blackrock                                                   | Equity Dividend                                                                                                  | 376,484                                       | 9,374,457                   |
| Invesco                                                     | Small Cap Val A                                                                                                  | 317,033                                       | 6,226,533                   |
| America Funds                                               | Europacific Growth R4                                                                                            | 188,715                                       | 9,210,943                   |
| <b>Unallocated Deposit Administration Contract</b>          |                                                                                                                  |                                               |                             |
| Prudential Retirement Insurance *<br>and Annuity Company    | Guaranteed Income Fund                                                                                           | 618,012                                       | 18,381,315                  |
| <b>Pooled Separate Accounts</b>                             |                                                                                                                  |                                               |                             |
| Prudential Retirement Insurance *<br>and Annuity Company    | Day One IFX Target Balanced                                                                                      | 35,406                                        | 669,699                     |
| Prudential Retirement Insurance *<br>and Annuity Company    | Large Cap Growth                                                                                                 | 592,910                                       | 12,854,559                  |
| Prudential Retirement Insurance *<br>and Annuity Company    | Core Plus Bond                                                                                                   | 383,819                                       | 7,824,704                   |
| Prudential Retirement Insurance *<br>and Annuity Company    | Mid Cap Growth                                                                                                   | 96,972                                        | 1,369,777                   |
| <b>Brokerage Accounts</b>                                   |                                                                                                                  |                                               |                             |
| Prudential Retirement *                                     | Brokerage Accounts                                                                                               |                                               | 187,904                     |
| <b>Participants *</b>                                       |                                                                                                                  |                                               |                             |
|                                                             | Loans (interest rates of<br>4.25%–10.25%)                                                                        |                                               | 1,794,298                   |
|                                                             |                                                                                                                  |                                               | <u><u>\$ 86,530,517</u></u> |

\*Represents a party-in-interest.

The accompanying notes are an integral part of this schedule.

The above information has been certified or provided by Prudential Retirement Insurance and Annuity Company and Prudential Bank & Trust F.S.B., the trustees, as complete and accurate.





# **Cargotec Holding, Inc. 401(k) Plan**

Financial Report  
December 31, 2014

## Contents

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**Independent Auditor's Report**

To the Participants and Retirement Committee  
Cargotec Holding, Inc. 401(k) Plan  
Ottawa, Kansas

**Report on the Financial Statements**

We were engaged to audit the accompanying financial statements of Cargotec Holding, Inc. 401(k) Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2014 and 2013, 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**

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 or provided by Prudential Retirement Insurance and Annuity Company and Prudential Bank & Trust, F.S.B, the trustees of the Plan, except for comparing this information with the related information included in the financial statements. We have been informed by the Plan Administrator that the trustees hold the Plan's assets and execute transactions. The Plan Administrator has obtained certifications from the trustees 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 trustees is complete and accurate.

**Disclaimer of Opinion**

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

**Other Matter**

The supplemental schedules of assets (held at end of year) as of December 31, 2014 and delinquent participation contributions for the year ended December 31, 2014 are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purposes of additional analysis and are not a required part of the financial statements. The supplemental schedules are the responsibility of the Plan's management. 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 schedules.

**Report on Form and Content in Compliance With the Department of Labor's Rules and Regulations**

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified or provided by the trustees, 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.

*RSM US LLP*

Kansas City, Missouri  
January 20, 2016

**Cargotec Holding, Inc. 401(k) Plan**

**Statements of Net Assets Available for Benefits  
December 31, 2014 and 2013**

|                                                      | 2014                 | 2013                 |
|------------------------------------------------------|----------------------|----------------------|
| <b>Assets</b>                                        |                      |                      |
| Investments at fair value (Notes 3 and 4):           |                      |                      |
| Mutual funds                                         | \$ 43,448,262        | \$ 60,627,583        |
| Brokerage accounts                                   | 187,904              | 186,965              |
| Pooled separate accounts                             | 22,718,739           | 545,867              |
| Unallocated deposit administration contract (Note 5) | 18,381,315           | 17,117,835           |
| <b>Total investments</b>                             | <b>84,736,220</b>    | <b>78,478,250</b>    |
| Notes receivable from participants                   | 1,794,298            | 1,652,554            |
| <b>Net assets available for benefits</b>             | <b>\$ 86,530,518</b> | <b>\$ 80,130,804</b> |

See notes to financial statements.

**Cargotec Holding, Inc. 401(k) Plan**

**Statement of Changes in Net Assets Available for Benefits  
Year Ended December 31, 2014**

|                                                       |                             |
|-------------------------------------------------------|-----------------------------|
| Additions to net assets attributed to:                |                             |
| Investment income (Notes 3 and 4):                    |                             |
| Net appreciation in fair value of investments         | \$ 3,307,736                |
| Interest and dividends                                | 848,266                     |
|                                                       | <u>4,156,002</u>            |
| Interest income on notes receivable from participants | <u>74,890</u>               |
| Contributions:                                        |                             |
| Employer                                              | 2,433,919                   |
| Participants'                                         | 5,559,987                   |
| Rollovers                                             | 166,998                     |
|                                                       | <u>8,160,904</u>            |
| <b>Total additions</b>                                | <u>12,391,796</u>           |
| Deductions from net assets attributed to:             |                             |
| Benefits paid to participants                         | 5,971,883                   |
| Administrative expenses (Notes 6 and 10)              | 20,199                      |
| <b>Total deductions</b>                               | <u>5,992,082</u>            |
| <b>Net increase</b>                                   | <u>6,399,714</u>            |
| Net assets available for benefits:                    |                             |
| Beginning of year                                     | <u>80,130,804</u>           |
| End of year                                           | <u><u>\$ 86,530,518</u></u> |

See notes to financial statements.

## Cargotec Holding, Inc. 401(k) Plan

### Notes to Financial Statements

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#### Note 1. Plan Description

The following description of the Cargotec Holding, Inc. 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

**General:** The Plan is a defined contribution plan covering all employees of the Company (Cargotec Holding, Inc. and related entities Cargotec USA Inc., Cargotec Solutions LLC and Cargotec Port Security LLC, Watco Lift Corp; Navis LLC and Navis International LLC), and are not represented by a collective bargaining agreement. Effective January 1, 2103, covered employees became eligible to participate immediately upon hire. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

**Contributions:** Participants may elect to contribute up to 100 percent of their eligible compensation to the Plan on a tax-deferred basis, subject to limitations imposed by the Internal Revenue Service (IRS). Participants who are 50 by the end of the Plan year and who are making deferral contributions to the Plan may also make catch-up contributions. All participant contributions and related earnings are fully vested. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans.

The Company makes matching contributions to the Plan on behalf of all eligible participants. The matching contribution is limited to 100 percent of the participant's contribution up to 3 percent of the employee's compensation and 50 percent of the participant's contribution for the next 2 percent of the employee's compensation under Safe Harbor plan provisions. The Plan also allows for a discretionary contribution by the Company. There were no discretionary contributions made for the year ended December 31, 2014.

**Participant accounts:** Each participant's account is credited with the participant's contribution and allocations of (a) the Company's matching and discretionary contributions and (b) Plan earnings, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

**Vesting:** Participants are immediately vested in their contributions plus actual earnings thereon. Participants are immediately vested in the Company's matching contributions made after January 1, 2005. Vesting in the Company's matching contribution made prior to January 1, 2005 and the discretionary contribution portion of their accounts plus actual earnings thereon is based on whole years of service. These contributions and related earnings vest to participants 20 percent per year for each year of service. A participant is fully vested after five years of service.

**Payment of benefits:** The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. Upon retirement, death, or disability, participants become 100 percent vested in their account and will receive their distribution in a lump-sum amount. Upon termination, participants will receive their vested account balances in a lump sum amount.

## Cargotec Holding, Inc. 401(k) Plan

### Notes to Financial Statements

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#### Note 1. Plan Description (Continued)

**Participants' investment options:** Participants direct their salary deferral and Company contributions to selected investments as made available and determined by the Plan each year. Participants may change their investment options from time to time via access to Prudential Retirement Insurance and Annuity Company.

**Forfeited accounts:** At December 31, 2014 and 2013, forfeited nonvested accounts totaled \$3,494 and \$32,106, respectively. These accounts will be used to reduce employer contributions and pay Plan expenses. During the year ended December 31, 2014, \$31,451 of forfeitures was used to pay Plan expenses or reduce employer contributions.

**Notes receivable from participants:** Participants may borrow from their accounts a minimum of \$1,000 and up to a maximum equal to the lesser of \$50,000 or 50 percent of their vested account balance. These transactions are treated as transfers between the investment fund and the participant notes receivable fund. The terms of the notes receivable cannot exceed five years, unless the note receivable is for the purchase of the employee's principal residence, which has a maximum 10-year repayment period. The notes receivable are secured by the balance in the participant's account and bear interest at rates commensurate with local prevailing rates as determined by the Plan Administrator. The interest rate ranged from 4.25 percent to 9.25 percent for all outstanding notes at December 31, 2014. Principal and interest are paid ratably through payroll deductions. Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent notes are treated as distributions based upon the terms of the plan document.

#### Note 2. Summary of Significant Accounting Policies

Following is a summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements.

**Basis of accounting:** The accounts of the Plan are maintained, and the accompanying financial statements have been prepared, on the accrual basis of accounting.

Investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. The Plan invests in investment contracts through an unallocated deposit administration contract. The Statement of Net Assets Available for Benefits presents the fair value of the investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis. Contract and fair value were determined by Prudential Retirement Insurance and Annuity Company, to be \$18,381,315 and \$17,117,835 at December 31, 2014 and 2013, respectively.

## Cargotec Holding, Inc. 401(k) Plan

### Notes to Financial Statements

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#### Note 2. Summary of Significant Accounting Policies (Continued)

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

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

**Use of estimates:** The preparation of the Plan's financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

**Administrative expenses:** The trustees of the Plan are responsible for the management and the record keeping of the Plan's assets. Certain administrative expenses and fees are paid directly by the Company.

**Payment of benefits:** Benefits are recorded when paid. There were no withdrawals approved but not yet paid at December 31, 2014.

**Recent accounting pronouncements:** In May 2015, The Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*. The amendments in this Update remove the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient. However, sufficient information must be provided to permit reconciliation of the fair value of assets categorized within the fair value hierarchy to the amounts presented in the statement of financial position. The amendments also remove the requirement to make certain disclosures for all investments that are eligible to be measured at fair value using the net asset value per share practical expedient. The amendments in this Update are effective for public business entities for fiscal years beginning after December 15, 2015. For all other entities, the amendments in this Update are effective for fiscal years beginning after December 15, 2016. Early adoption is permitted. Upon adoption, the amendments shall be applied retrospectively to all periods presented. Plan management is currently evaluating the impact this Update will have on the Plan's financial statements.

In July 2015, the FASB issued ASU No. 2015-12, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965)—(I) Fully Benefit-Responsive Investment Contracts, (II) Plan Investment Disclosures, and (III) Measurement Date Practical Expedient (a consensus of the FASB Emerging Issues Task Force)*. The purpose of this update is to simplify plan accounting.

- The amendments in Part I of this Update designate contract value as the only required measure for direct investments in fully benefit-responsive investment contracts. Fully benefit-responsive investment contracts will be presented at contract value; accordingly, there will no longer be an adjustment from fair value to contract value on the face of the financial statements.

## Cargotec Holding, Inc. 401(k) Plan

### Notes to Financial Statements

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#### Note 2. Summary of Significant Accounting Policies (Continued)

- The amendments in Part II of this Update will eliminate the requirements for plans to disclose (1) individual investments that represent 5 percent or more of net assets available for benefits and (2) the net appreciation or depreciation for investments by general type for both participant-directed investments and nonparticipant-directed investments. The net appreciation or depreciation in investments for the period will still be required to be presented in the aggregate. In addition, if an investment is measured using the net asset value per share (or its equivalent) practical expedient in Topic 820 and that investment is in a fund that files a U.S. Department of Labor Form 5500, *Annual Return/Report of Employee Benefit Plans* as a direct filing entity, disclosure of that investment's strategy will no longer be required.
- The amendments in Part III of this Update reduce complexity in employee benefit plan accounting by providing a practical expedient that permits plans to measure investments and investment-related accounts as of a month-end date that is closest to the plan's fiscal year-end, when the fiscal period does not coincide with month-end.

The Update may be adopted in whole or by part (I, II, and III), as applicable. The amendments in this Update are effective for fiscal years beginning after December 15, 2015. Early adoption is permitted. Upon adoption, the amendments in Parts I and II shall be applied retrospectively to all periods presented; the amendments in Part III shall be applied prospectively. Plan management is currently evaluating the impact this Update will have on the Plan's financial statements.

#### Note 3. Information Certified and Provided by the Trustees

The following is a summary of the Plan's asset information as of December 31, 2014 and 2013, and for the year ended December 31, 2014, included throughout the Plan's financial statements and supplemental schedule, that was prepared by or derived from information provided by the Prudential Retirement Insurance and Annuity Company and Prudential Bank & Trust, F.S.B., the trustees, and furnished to the Plan Administrator. The Plan Administrator has obtained certifications from the trustees that information provided to the Plan Administrator by the trustees related to the following investments is complete and accurate. Accordingly, as permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to information in Note 4 and the supplemental schedule related to the following assets:

|                                             | December 31   |               |
|---------------------------------------------|---------------|---------------|
|                                             | 2014          | 2013          |
| Investment at fair value:                   |               |               |
| Mutual funds                                | \$ 43,448,262 | \$ 60,627,583 |
| Brokerage accounts                          | 187,904       | 186,965       |
| Pooled separate accounts                    | 22,718,739    | 545,867       |
| Unallocated deposit administration contract | 18,381,315    | 17,117,835    |
| Notes receivable from participants          | 1,794,298     | 1,652,554     |

The trustees also certified to the completeness and accuracy of \$3,307,736 of net appreciation in fair value of investments, \$848,266 of interest and dividends related to the aforementioned investments and \$74,890 related to interest on notes receivable from participants for the year ended December 31, 2014.

Notes to Financial Statements

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**Note 4. Fair Value Measurements**

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

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

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

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

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

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

The asset'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 31, 2014 and 2013.

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

**Brokerage accounts:** Brokerage accounts are valued at the value of the underlying investments at the end of the Plan year.

**Pooled separate accounts:** Unit value of pooled separate accounts is calculated based on the observable net asset value (NAV) of the underlying investments at the end of the Plan year.

**Unallocated deposit administration contract:** Unallocated deposit administration contract is valued at fair value by discounting the related cash flows on current yields of similar instruments with comparable durations considering the credit-worthiness of the issuer (see Note 5).

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

## Cargotec Holding, Inc. 401(k) Plan

### Notes to Financial Statements

#### Note 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 and 2013. Those assets over 5 percent or more of the Plan's net assets are presented separately.

|                                              | Assets at Fair Value as of December 31, 2014 |                      |                      |                      |
|----------------------------------------------|----------------------------------------------|----------------------|----------------------|----------------------|
|                                              | Level 1                                      | Level 2              | Level 3              | Total                |
| Mutual Funds:                                |                                              |                      |                      |                      |
| Large Cap Stock                              |                                              |                      |                      |                      |
| Vanguard Large Cap Index                     | \$ 6,394,919                                 | \$ -                 | \$ -                 | \$ 6,394,919         |
| Blackrock Equity Dividend                    | 9,374,457                                    | -                    | -                    | 9,374,457            |
| Mid Cap Stock                                |                                              |                      |                      |                      |
| Other                                        | 4,902,121                                    | -                    | -                    | 4,902,121            |
| Small Cap                                    |                                              |                      |                      |                      |
| Invesco Small Cap Val A                      | 6,226,533                                    | -                    | -                    | 6,226,533            |
| Other                                        | 5,197,864                                    | -                    | -                    | 5,197,864            |
| International                                |                                              |                      |                      |                      |
| America Funds Europacific Growth R4          | 9,210,943                                    | -                    | -                    | 9,210,943            |
| Other                                        | 889,203                                      | -                    | -                    | 889,203              |
| Income                                       |                                              |                      |                      |                      |
| Other                                        | 1,252,222                                    | -                    | -                    | 1,252,222            |
| Pooled Separate Accounts:                    |                                              |                      |                      |                      |
| Core Plus Bond                               | -                                            | 7,824,704            | -                    | 7,824,704            |
| Large Cap Growth                             | -                                            | 12,854,559           | -                    | 12,854,559           |
| Other                                        | -                                            | 2,039,476            | -                    | 2,039,476            |
| Unallocated deposit administration contract: |                                              |                      |                      |                      |
| Guaranteed Income Fund                       | -                                            | -                    | 18,381,315           | 18,381,315           |
| Brokerage Accounts:                          |                                              |                      |                      |                      |
| Other                                        | 187,904                                      | -                    | -                    | 187,904              |
|                                              | <u>\$ 43,636,166</u>                         | <u>\$ 22,718,739</u> | <u>\$ 18,381,315</u> | <u>\$ 84,736,220</u> |

## Cargotec Holding, Inc. 401(k) Plan

### Notes to Financial Statements

#### Note 4. Fair Value Measurements (Continued)

|                                              | Assets at Fair Value as of December 31, 2013 |                   |                      |                      |
|----------------------------------------------|----------------------------------------------|-------------------|----------------------|----------------------|
|                                              | Level 1                                      | Level 2           | Level 3              | Total                |
| Mutual Funds:                                |                                              |                   |                      |                      |
| Large Cap Stock                              |                                              |                   |                      |                      |
| Vanguard Large Cap Index                     | \$ 5,397,070                                 | \$ -              | \$ -                 | \$ 5,397,070         |
| Blackrock Equity Dividend                    | 8,421,696                                    | -                 | -                    | 8,421,696            |
| JP Morgan Large Cap Growth Select            | 11,454,763                                   | -                 | -                    | 11,454,763           |
| Mid Cap Stock                                |                                              |                   |                      |                      |
| Other                                        | 5,152,482                                    | -                 | -                    | 5,152,482            |
| Small Cap                                    |                                              |                   |                      |                      |
| Invesco Small Cap Val A                      | 6,107,656                                    | -                 | -                    | 6,107,656            |
| Other                                        | 5,269,043                                    | -                 | -                    | 5,269,043            |
| International                                |                                              |                   |                      |                      |
| America Funds Europacific Growth R4          | 9,092,308                                    | -                 | -                    | 9,092,308            |
| Other                                        | 911,762                                      | -                 | -                    | 911,762              |
| Income                                       |                                              |                   |                      |                      |
| Pimco Total Return A                         | 7,396,093                                    | -                 | -                    | 7,396,093            |
| Other                                        | 1,424,710                                    | -                 | -                    | 1,424,710            |
| Pooled Separate Accounts:                    |                                              |                   |                      |                      |
| Other                                        | -                                            | 545,867           | -                    | 545,867              |
| Unallocated deposit administration contract: |                                              |                   |                      |                      |
| Guaranteed Income Fund                       | -                                            | -                 | 17,117,835           | 17,117,835           |
| Brokerage Accounts:                          |                                              |                   |                      |                      |
| Other                                        | 186,965                                      | -                 | -                    | 186,965              |
|                                              | <u>\$ 60,814,548</u>                         | <u>\$ 545,867</u> | <u>\$ 17,117,835</u> | <u>\$ 78,478,250</u> |

**Changes in fair value levels:** To assess the appropriate classification of investments within the fair value hierarchy, the availability of market data is monitored. Changes in economic conditions or valuation techniques may require the transfer of investments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

The Retirement Committee evaluates the significance of transfers between levels based upon the nature of the investment and size of the transfer relative to total net assets available for benefits. For the year ended December 31, 2014, there were no transfers in or out of Level 3.

## Cargotec Holding, Inc. 401(k) Plan

### Notes to Financial Statements

#### Note 4. Fair Value Measurements (Continued)

##### Quantitative information about significant unobservable inputs used in Level 3 fair value

**measurements:** The following table represents the Plan's Level 3 financial instruments, the valuation techniques used to measure the fair value of those financial instruments, and the significant unobservable inputs and the ranges of values for those inputs.

| Instrument                                           | 2014<br>Fair Value | 2013<br>Fair Value | Principal<br>Valuation<br>Technique | Unobservable<br>Inputs    | Range of<br>Significant<br>Input Values | Weighted<br>Average       |
|------------------------------------------------------|--------------------|--------------------|-------------------------------------|---------------------------|-----------------------------------------|---------------------------|
| Unallocated<br>deposit<br>administrative<br>contract | \$ 18,381,315      | \$ 17,117,835      | Composite credit rate               | Minimum crediting<br>rate | 1.50%                                   | 1.85%<br>(1.95% for 2013) |

**Level 3 gains and losses:** The table below sets forth a summary of changes in the fair value of the Plan's Level 3 assets for the year ended December 31, 2014 and 2013.

|                            | 2014                 | 2013                 |
|----------------------------|----------------------|----------------------|
| Balance, beginning of year | \$ 17,117,835        | \$ 16,093,267        |
| Purchases                  | 2,971,399            | 2,846,070            |
| Sales                      | (2,036,557)          | (2,150,518)          |
| Interest                   | 328,638              | 329,016              |
| Balance, end of year       | <u>\$ 18,381,315</u> | <u>\$ 17,117,835</u> |

**Changes in fair value and related gains and losses:** During 2014, the plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by \$3,307,736 as follows:

|                          |                     |
|--------------------------|---------------------|
| Mutual funds             | \$ 1,669,215        |
| Pooled separate accounts | 1,637,582           |
| Brokerage accounts       | 939                 |
|                          | <u>\$ 3,307,736</u> |

The following table sets forth additional disclosures of the Plan's investments whose fair value is estimated using net asset value per share (or its equivalent) as of December 31, 2014 and 2013.

| Investment               | Fair Value<br>12/31/2014 | Fair Value<br>12/31/2013 | Unfunded<br>Commitment | Redemption<br>Frequency | Redemption<br>Notice Period |
|--------------------------|--------------------------|--------------------------|------------------------|-------------------------|-----------------------------|
| Pooled Separate Account: |                          |                          |                        |                         |                             |
| Day One IFX Target       |                          |                          |                        |                         |                             |
| Balanced (a)             | \$ 669,699               | \$ 545,867               | None                   | Immediate               | None                        |
| Large Cap Growth (b)     | 12,854,559               | -                        | None                   | Immediate               | None                        |
| Core Plus Bond (c)       | 7,824,704                | -                        | None                   | Immediate               | None                        |
| Mid Cap Growth (d)       | 1,369,777                | -                        | None                   | Immediate               | None                        |
|                          | <u>\$ 22,718,739</u>     | <u>\$ 545,867</u>        |                        |                         |                             |

## **Cargotec Holding, Inc. 401(k) Plan**

### **Notes to Financial Statements**

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#### **Note 4. Fair Value Measurements (Continued)**

- (a) The investment seeks to provide a disciplined and diversified investment solution by designing the asset allocation to provide a reliable source of lifetime income.
- (b) This investment seeks to outperform the Russell 1000 Growth Index over a full market cycle while controlling risk.
- (c) This investment seeks to add +150bps of annualized excess return over a broad U.S. bond market index over a full market cycle by emphasizing relative-value based sector allocation, research-based security selection and modest duration and yield curve positioning.
- (d) This investment seeks to outperform the Russell Midcap Growth Index on a rolling three-year basis by investing in mid-size companies that can generate above average earnings growth.

#### **Note 5. Unallocated Deposit Administration Contract**

The Plan has a benefit-responsive unallocated deposit administration contract with Prudential Retirement Insurance and Annuity Company (Prudential). Prudential maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The contract is included in the financial statements at contract value as reported to the Plan by Prudential. Contract value represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. Prudential is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan.

As described in Note 2, because the unallocated deposit administration contract is fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the unallocated deposit administration contract. Contract value, as reported to the Plan by Prudential, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses.

There are no reserves against contract value for credit risk of the contract issuer or otherwise. The fair value of the unallocated deposit administration contract at December 31, 2014 and 2013 was \$18,381,315 and \$17,117,835, respectively. The crediting interest rate is based on a formula agreed upon with the issuer, but may be not less than 1.5 percent. Such interest rates are reviewed on a semi-annual basis for resetting.

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (1) amendments to the Plan documents (including complete or partial Plan termination or merger with another plan), (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Plan sponsor or other Plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA. The Plan Administrator does not believe that the occurrence of any events which would limit the Plan's ability to transact at contract value with participants is probable of occurring.

## **Cargotec Holding, Inc. 401(k) Plan**

### **Notes to Financial Statements**

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#### **Note 5. Unallocated Deposit Administration Contract (Continued)**

The unallocated deposit administration contract does not permit the insurance company to terminate the agreement prior to 90 days written notice.

|                                                 | <u>2014</u> |
|-------------------------------------------------|-------------|
| Average yields:                                 |             |
| Based on actual earnings                        | 1.85%       |
| Based on interest rate credited to participants | 1.85%       |

#### **Note 6. Administrative Expenses**

Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan. Certain other administrative expenses are paid directly by the Plan.

#### **Note 7. Plan Termination**

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

#### **Note 8. Tax Status**

The underlying nonstandard prototype plan has received an opinion letter from the IRS dated March 31, 2008, stating that the form of the Plan is qualified under Section 401(a) of the Code, and, therefore, the related trust is tax-exempt. The Plan sponsor has determined that it is eligible to, and has chosen to rely on the current IRS prototype plan opinion letter. Although the Plan has been amended since the prototype plan received the opinion letter, the Plan Administrator believes the Plan is designed, and is being operated, in compliance with the applicable provisions of the Internal Revenue Code.

Management evaluated the Plan's tax positions and concluded that the Plan had maintained its tax-exempt status and had taken no uncertain tax positions that require recognition or disclosure in the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements. With few exceptions, the Plan is no longer subject to income tax examinations by the U.S. federal, state, or local tax authorities for years before 2011.

#### **Note 9. Risks and Uncertainties**

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

## **Cargotec Holding, Inc. 401(k) Plan**

### **Notes to Financial Statements**

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#### **Note 10. Related-Party Transactions**

Certain Plan assets are non-interest-bearing cash, pooled separate accounts and unallocated deposit administration contracts managed by Prudential Bank and Trust, F.S.B. and Prudential Retirement Insurance and Annuity Company. Prudential Bank and Trust, F.S.B. and Prudential Retirement Insurance and Annuity Company are the trustees of the Plan and, therefore, these transactions qualify as party-in-interest transactions. Fees paid by the Plan for the services amounted to \$20,199 for the year ended December 31, 2014.

#### **Note 11. Prohibited Transactions**

During the years ended December 31, 2014 and 2013, the Plan Sponsor inadvertently failed to deposit \$8,264 and \$39,398, respectively, of participant deferrals within the interpreted timeframe as stated by the United States Department of Labor (DOL). The DOL considers late deposits to be prohibited transactions. The Plan Sponsor will file a Form 5330 and pay the applicable excise tax for the 2014 late deposits in 2015. The Plan Sponsor filed a Form 5330 and paid the applicable excise tax for the 2013 late deposits in 2014. Excise tax payments are made from the Plan Sponsor's assets and not from assets of the Plan.

#### **Note 12. Subsequent Event**

Management has evaluated and disclosed subsequent events up to and including January 20, 2016, which is the date the financial statements were available to be issued.

**Cargotec Holding, Inc. 401(k) Plan**  
**Employer Identification Number 58-1730881**  
**Plan Number 001**

**Schedule H, Part IV, Item 4a—Schedule of Delinquent Participant Contributions**  
**For the Year Ended December 31, 2014**

| Participant Contributions   |                   |                                                          |                    |               |  |                       |
|-----------------------------|-------------------|----------------------------------------------------------|--------------------|---------------|--|-----------------------|
| Transferred Late to Plan    |                   | Total that Constitute Prohibited Non Exempt Transactions |                    |               |  |                       |
| \$                          | 47,662            | \$                                                       | 47,662             |               |  |                       |
| <hr/>                       |                   |                                                          |                    |               |  |                       |
| [ ] Check Here If Late      |                   | Contributions                                            |                    | Contributions |  | Total Fully Corrected |
| Participant Loan Repayments | Contributions Not | Corrected Outside                                        | Pending Correction |               |  | Under VFCP and        |
| are Included                | Corrected         | VFCP                                                     | in VFCP            |               |  | PTE 2002-51           |
| <hr/>                       |                   |                                                          |                    |               |  |                       |
| 2014                        | \$ 8,264          | \$ -                                                     | \$ -               |               |  | -                     |
| 2013                        | \$ -              | \$ 39,398                                                | \$ -               |               |  | -                     |

Participant contributions were not remitted on a timely basis during the years ended December 31, 2014 and 2013. The Form 5330 for the 2014 contributions will be filed with the applicable excise taxes in 2013. The Form 5330 for the 2013 contributions was filed with the applicable excise taxes in 2014.

**Cargotec Holding Inc. 401(k) Plan**  
**Employer Identification Number 58-1730881**  
**Plan Number 001**

**Schedule H, Part IV, Item 4i—Schedule of Assets (Held at End of Year)**  
**December 31, 2014**

| Identity of Issuer,<br>Borrower, Lessor or<br>Similar Party | Description of Investment,<br>Including Maturity Date,<br>Rate of Interest, Collateral,<br>Par or Maturity Value | Number of<br>Shares or<br>Principal<br>Amount | Fair<br>Value               |
|-------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|-----------------------------|
| <b>Mutual Funds</b>                                         |                                                                                                                  |                                               |                             |
| Blackrock                                                   | Inflt Pro Bond IV A                                                                                              | 37,561                                        | \$ 397,390                  |
| Vanguard                                                    | Mid Cap Index Fund                                                                                               | 74,881                                        | 2,524,982                   |
| T Rowe Price                                                | Mid Cap Value Add                                                                                                | 82,856                                        | 2,377,138                   |
| Oppenhiemer                                                 | Developing Markets A                                                                                             | 25,034                                        | 889,203                     |
| Vanguard                                                    | Small Cap Index                                                                                                  | 29,782                                        | 1,663,648                   |
| Vanguard                                                    | Large Cap Index                                                                                                  | 167,758                                       | 6,394,919                   |
| Templeton                                                   | Global Bond Fund A                                                                                               | 68,606                                        | 854,832                     |
| Buffalo                                                     | Small Cap Fund                                                                                                   | 111,807                                       | 3,534,216                   |
| Blackrock                                                   | Equity Dividend                                                                                                  | 376,484                                       | 9,374,457                   |
| Invesco                                                     | Small Cap Val A                                                                                                  | 317,033                                       | 6,226,533                   |
| America Funds                                               | Europacific Growth R4                                                                                            | 188,715                                       | 9,210,943                   |
| <b>Unallocated Deposit Administration Contract</b>          |                                                                                                                  |                                               |                             |
| Prudential Retirement Insurance *<br>and Annuity Company    | Guaranteed Income Fund                                                                                           | 618,012                                       | 18,381,315                  |
| <b>Pooled Separate Accounts</b>                             |                                                                                                                  |                                               |                             |
| Prudential Retirement Insurance *<br>and Annuity Company    | Day One IFX Target Balanced                                                                                      | 35,406                                        | 669,699                     |
| Prudential Retirement Insurance *<br>and Annuity Company    | Large Cap Growth                                                                                                 | 592,910                                       | 12,854,559                  |
| Prudential Retirement Insurance *<br>and Annuity Company    | Core Plus Bond                                                                                                   | 383,819                                       | 7,824,704                   |
| Prudential Retirement Insurance *<br>and Annuity Company    | Mid Cap Growth                                                                                                   | 96,972                                        | 1,369,777                   |
| <b>Brokerage Accounts</b>                                   |                                                                                                                  |                                               |                             |
| Prudential Retirement *                                     | Brokerage Accounts                                                                                               |                                               | 187,904                     |
| <b>Participants *</b>                                       |                                                                                                                  |                                               |                             |
|                                                             | Loans (interest rates of<br>4.25%–10.25%)                                                                        |                                               | 1,794,298                   |
|                                                             |                                                                                                                  |                                               | <u><u>\$ 86,530,517</u></u> |

\*Represents a party-in-interest.

The accompanying notes are an integral part of this schedule.

The above information has been certified or provided by Prudential Retirement Insurance and Annuity Company and Prudential Bank & Trust F.S.B., the trustees, as complete and accurate.

