# Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Annual Return/Report of Employee Benefit Plan

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

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

OMB Nos. 1210-0110
1210-0089

**2015**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

**A** This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

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

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

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

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

**1a** Name of plan
CAPRIS FURNITURE INDUSTRIES, INC. EMPLOYEE STOCK OWNERSHIP & SAVINGS PLAN

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

**1c** Effective date of plan 01/01/2001

**2a** Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)
CAPRIS FURNITURE INDUSTRIES, INC.

1401 NW 27TH AVE
OCALA, FL 34475

**2b** Employer Identification Number (EIN)
59-2694517

**2c** Plan Sponsor's telephone number
352-629-8889

**2d** Business code (see instructions)
337000

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

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

| | | | |
|---|---|---|---|
| **SIGN HERE** | Filed with authorized/valid electronic signature. | 10/04/2016 | DONALD R BEAUDET |
| | **Signature of plan administrator** | Date | Enter name of individual signing as plan administrator |
| **SIGN HERE** | Filed with authorized/valid electronic signature. | 10/04/2016 | DONALD R BEAUDET |
| | **Signature of employer/plan sponsor** | Date | Enter name of individual signing as employer or plan sponsor |
| **SIGN HERE** | | | |
| | **Signature of DFE** | Date | Enter name of individual signing as DFE |

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

Preparer's telephone number

| | | |
|---|---|---|
| **3a** Plan administrator's name and address [X] Same as Plan Sponsor | **3b** Administrator's EIN | |
| | **3c** Administrator's telephone number | |
| **4** If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: | **4b** EIN | |
| **a** Sponsor's name | **4c** PN | |
| **5** Total number of participants at the beginning of the plan year | **5** | 159 |
| **6** Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**). | | |
| **a(1)** Total number of active participants at the beginning of the plan year | **6a(1)** | 132 |
| **a(2)** Total number of active participants at the end of the plan year | **6a(2)** | 127 |
| **b** Retired or separated participants receiving benefits | **6b** | 47 |
| **c** Other retired or separated participants entitled to future benefits | **6c** | 0 |
| **d** Subtotal. Add lines **6a(2)**, **6b**, and **6c**. | **6d** | 174 |
| **e** Deceased participants whose beneficiaries are receiving or are entitled to receive benefits | **6e** | 0 |
| **f** Total. Add lines **6d** and **6e**. | **6f** | 174 |
| **g** Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | 169 |
| **h** Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 4 |
| **7** Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | **7** | |

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

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

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

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

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

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

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

**a Pension Schedules**

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

**b General Schedules**

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

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

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

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

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

**11c** Enter the Receipt Confirmation Code for the 2015 Form M-1 annual report. If the plan was not required to file the 2015 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

| SCHEDULE C (Form 5500) | Service Provider Information | OMB No. 1210-0110 |
|---|---|---|
| Department of the Treasury<br>Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br>▶ **File as an attachment to Form 5500.** | **2015**<br>**This Form is Open to Public Inspection.** |

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

**A** Name of plan
CAPRIS FURNITURE INDUSTRIES, INC. EMPLOYEE STOCK OWNERSHIP & SAVINGS PLAN

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

**C** Plan sponsor's name as shown on line 2a of Form 5500
CAPRIS FURNITURE INDUSTRIES, INC.

**D** Employer Identification Number (EIN)
59-2694517

## 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).. . . . . [X] 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

NATIONWIDE
ONE NATIONWIDE PLAZA
COLUMBUS, OH 43215

25-1801468

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

RETIREMENT PLAN SPECIALISTS, INC.
815 EYRIE DRIVE
OVIEDO, FL 32765-8602

59-3458014

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

LINCOLN FINANCIAL SECURITIES
ATTN INSURANCE COMMISSIONS
ONE GRANITE PLACE
CONCORD, NH 03301

02-2754900

**(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)

NATIONWIDE

ONE NATIONWIDE PLAZA
COLUMBUS, OH 43215

25-7801468

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 15 23 28 37 38 50 53 64 65 | NONE | 24612 | Yes [X] No [ ] | Yes [X] No [ ] | 0 | Yes [ ] No [X] |

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

RETIREMENT PLAN SPECIALISTS, INC.

815 EYRIE DRIVE
SUITE 2
OVIEDO, FL 32765-8602

59-3458014

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 13 15 17 50 64 | NONE | 8593 | Yes [X] No [ ] | Yes [X] No [ ] | 0 | Yes [ ] No [X] |

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

HANLON INVESTMENT MANAGER, INC.

3393 BARAINTOWN ROAD
EGG HARBOR TWP, NJ 08234

22-3723068

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 26 51 | NONE | 9700 | Yes [X] No [ ] | Yes [X] No [ ] | 0 | Yes [ ] No [X] |

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

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

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

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

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

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

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

## Part I Service Provider Information (continued)

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

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |
| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. | |
| | | |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |
| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. | |
| | | |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |
| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. | |
| | | |

## Part II Service Providers Who Fail or Refuse to Provide Information

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

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

| **(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 |
|---|---|---|
| | | |

| **(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 |
|---|---|---|
| | | |

| **(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 |
|---|---|---|
| | | |

| **(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 |
|---|---|---|
| | | |

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

## Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

# SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Financial Information

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

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

OMB No. 1210-0110

**2015**

**This Form is Open to Public Inspection**

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

**A** Name of plan
CAPRIS FURNITURE INDUSTRIES, INC. EMPLOYEE STOCK OWNERSHIP & SAVINGS PLAN

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

**C** Plan sponsor's name as shown on line 2a of Form 5500
CAPRIS FURNITURE INDUSTRIES, INC.

**D** Employer Identification Number (EIN)
59-2694517

## Part I Asset and Liability Statement

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

| Assets | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **a** Total noninterest-bearing cash | 1a | | |
| **b** Receivables (less allowance for doubtful accounts): | | | |
| **(1)** Employer contributions | 1b(1) | | |
| **(2)** Participant contributions | 1b(2) | | |
| **(3)** Other | 1b(3) | | |
| **c** General investments: | | | |
| **(1)** Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | 125124 | 245428 |
| **(2)** U.S. Government securities | 1c(2) | | |
| **(3)** Corporate debt instruments (other than employer securities): | | | |
| **(A)** Preferred | 1c(3)(A) | | |
| **(B)** All other | 1c(3)(B) | | |
| **(4)** Corporate stocks (other than employer securities): | | | |
| **(A)** Preferred | 1c(4)(A) | | |
| **(B)** Common | 1c(4)(B) | | |
| **(5)** Partnership/joint venture interests | 1c(5) | | |
| **(6)** Real estate (other than employer real property) | 1c(6) | | |
| **(7)** Loans (other than to participants) | 1c(7) | | |
| **(8)** Participant loans | 1c(8) | 153550 | 136761 |
| **(9)** Value of interest in common/collective trusts | 1c(9) | | |
| **(10)** Value of interest in pooled separate accounts | 1c(10) | | |
| **(11)** Value of interest in master trust investment accounts | 1c(11) | | |
| **(12)** Value of interest in 103-12 investment entities | 1c(12) | | |
| **(13)** Value of interest in registered investment companies (e.g., mutual funds) | 1c(13) | 2460859 | 2475490 |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | | |
| **(15)** Other | 1c(15) | | |

| | | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|---|
| **1d** | Employer-related investments: | | | |
| | **(1)** Employer securities | 1d(1) | 1937873 | 2509336 |
| | **(2)** Employer real property | 1d(2) | | |
| **e** | Buildings and other property used in plan operation | 1e | | |
| **f** | Total assets (add all amounts in lines 1a through 1e) | 1f | 4677406 | 5367015 |
| | **Liabilities** | | | |
| **g** | Benefit claims payable | 1g | | |
| **h** | Operating payables | 1h | | |
| **i** | Acquisition indebtedness | 1i | | |
| **j** | Other liabilities | 1j | 546917 | 166 |
| **k** | Total liabilities (add all amounts in lines 1g through1j) | 1k | 546917 | 166 |
| | **Net Assets** | | | |
| **l** | Net assets (subtract line 1k from line 1f) | 1l | 4130489 | 5366849 |

## Part II Income and Expense Statement

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

| | Income | | (a) Amount | (b) Total |
|---|---|---|---|---|
| **a** | **Contributions:** | | | |
| | **(1)** Received or receivable in cash from: **(A)** Employers | 2a(1)(A) | 564691 | |
| | **(B)** Participants | 2a(1)(B) | 193619 | |
| | **(C)** Others (including rollovers) | 2a(1)(C) | | |
| | **(2)** Noncash contributions | 2a(2) | | |
| | **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 758310 |
| **b** | **Earnings on investments:** | | | |
| | **(1)** Interest: | | | |
| | **(A)** Interest-bearing cash (including money market accounts and certificates of deposit) | 2b(1)(A) | | |
| | **(B)** U.S. Government securities | 2b(1)(B) | | |
| | **(C)** Corporate debt instruments | 2b(1)(C) | | |
| | **(D)** Loans (other than to participants) | 2b(1)(D) | 5331 | |
| | **(E)** Participant loans | 2b(1)(E) | | |
| | **(F)** Other | 2b(1)(F) | | |
| | **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 5331 |
| | **(2)** Dividends: **(A)** Preferred stock | 2b(2)(A) | 209512 | |
| | **(B)** Common stock | 2b(2)(B) | | |
| | **(C)** Registered investment company shares (e.g. mutual funds) | 2b(2)(C) | | |
| | **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | 209512 |
| | **(3)** Rents | 2b(3) | | |
| | **(4)** Net gain (loss) on sale of assets: **(A)** Aggregate proceeds | 2b(4)(A) | | |
| | **(B)** Aggregate carrying amount (see instructions) | 2b(4)(B) | | |
| | **(C)** Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result | 2b(4)(C) | | |
| | **(5)** Unrealized appreciation (depreciation) of assets: **(A)** Real estate | 2b(5)(A) | | |
| | **(B)** Other | 2b(5)(B) | 497839 | |
| | **(C)** Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)** | 2b(5)(C) | | 497839 |

| | | (a) Amount | (b) Total |
|---|---|---|---|
| (6) Net investment gain (loss) from common/collective trusts | 2b(6) | | |
| (7) Net investment gain (loss) from pooled separate accounts | 2b(7) | | |
| (8) Net investment gain (loss) from master trust investment accounts | 2b(8) | | |
| (9) Net investment gain (loss) from 103-12 investment entities | 2b(9) | | |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) | 2b(10) | | |
| c Other income | 2c | | |
| d Total income. Add all **income** amounts in column (b) and enter total | 2d | | 1470992 |
| **Expenses** | | | |
| e Benefit payment and payments to provide benefits: | | | |
| (1) Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 216857 | |
| (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) | | 216857 |
| f Corrective distributions (see instructions) | 2f | | |
| g Certain deemed distributions of participant loans (see instructions) | 2g | | |
| h Interest expense | 2h | | 17775 |
| i Administrative expenses: (1) Professional fees | 2i(1) | | |
| (2) Contract administrator fees | 2i(2) | | |
| (3) Investment advisory and management fees | 2i(3) | | |
| (4) Other | 2i(4) | | |
| (5) Total administrative expenses. Add lines **2i(1)** through **(4)** | 2i(5) | | |
| j Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 234632 |
| **Net Income and Reconciliation** | | | |
| k Net income (loss). Subtract line **2j** from line **2d** | 2k | | 1236360 |
| l Transfers of assets: | | | |
| (1) To this plan | 2l(1) | | 0 |
| (2) From this plan | 2l(2) | | |

## Part III Accountant's Opinion

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

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

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

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

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

**(1)** Name: CRIPPEN & CO., LLC **(2)** EIN: 59-2032210

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

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

## Part IV Compliance Questions

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

During the plan year:

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

| | | Yes | No | N/A | Amount |
|---|---|---|---|---|---|
| c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) | 4c | | X | | |
| d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) | 4d | | X | | |
| e Was this plan covered by a fidelity bond? | 4e | X | | | 3500000 |
| f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | 4f | | X | | |
| g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? | 4g | | X | | |
| h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? | 4h | | X | | |
| i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) | 4i | X | | | |
| j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.) | 4j | | X | | |
| k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? | 4k | | X | | |
| l Has the plan failed to provide any benefit when due under the plan? | 4l | | X | | |
| m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) | 4m | | X | | |
| n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. | 4n | | | | |
| o Did the plan trust incur unrelated business taxable income? | 4o | | X | | |
| p Were in-service distributions made during the plan year? | 4p | | X | | |

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

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

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

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

## Part V Trust Information

**6a** Name of trust

**6b** Trust's EIN

**6c** Name of trustee or custodian

**6d** Trustee's or custodian's telephone number

# SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Retirement Plan Information

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

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

OMB No. 1210-0110

**2015**

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

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

**A** Name of plan
CAPRIS FURNITURE INDUSTRIES, INC. EMPLOYEE STOCK OWNERSHIP & SAVINGS PLAN

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

**C** Plan sponsor's name as shown on line 2a of Form 5500
CAPRIS FURNITURE INDUSTRIES, INC.

**D** Employer Identification Number (EIN)
59-2694517

## Part I Distributions

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

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

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

EIN(s): 25-1801468

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

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

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

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

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

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

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

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

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

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

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

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

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

## Part III Amendments

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

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

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

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

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

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

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

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

**a** Name of contributing employer

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

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

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

---

**a** Name of contributing employer

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

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

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

---

**a** Name of contributing employer

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

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

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

---

**a** Name of contributing employer

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

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

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

---

**a** Name of contributing employer

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

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

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

---

**a** Name of contributing employer

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

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

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

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

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

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

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

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

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

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

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

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

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

**a** Enter the percentage of plan assets held as:
Stock: _____% 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):

## Part VII IRS Compliance Questions

| | | |
|---|---|---|
| **20a** Is the plan a 401(k) plan? | ☐ Yes | ☐ No |
| **20b** If "Yes," how does the 401(k) plan satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under sections 401(k)(3) and 401(m)(2)? | ☐ Design-based safe harbor method | ☐ ADP/ACP test |
| **20c** If the ADP/ACP test is used, did the 401(k) plan perform ADP/ACP testing for the plan year using the "current year testing method" for nonhighly compensated employees (Treas. Reg sections 1.401(k)-2(a)(2)(ii) and 1.401(m)-2(a)(2)(ii))? | ☐ Yes | ☐ No |
| **21a** Check the box to indicate the method used by the plan to satisfy the coverage requirements under section 410(b): | ☐ Ratio percentage test | ☐ Average benefit test |
| **21b** Does the plan satisfy the coverage and nondiscrimination tests of sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules? | ☐ Yes | ☐ No |
| **22a** Has the plan been timely amended for all required tax law changes? | ☐ Yes | ☐ No ☐ N/A |

**22b** Date the last plan amendment/restatement for the required tax law changes was adopted ____/____/____. Enter the applicable code _____ (See instructions for tax law changes and codes).

**22c** If the plan sponsor is an adopter of a pre-approved master and prototype (M&P) or volume submitter plan that is subject to a favorable IRS opinion or advisory letter, enter the date of that favorable letter _____/_____/_____ and the letter's serial number _____.

**22d** If the plan is an individually-designed plan and received a favorable determination letter from the IRS, enter the date of the plan's last favorable determination letter _____/_____/_____.

| | | |
|---|---|---|
| **23** Is the Plan maintained in a U.S. territory (i.e., Puerto Rico (if no election under ERISA section 1022(i)(2) has been made), American Samoa, Guam, the Commonwealth of the Northern Mariana Islands or the U.S. Virgin Islands)? | ☐ Yes | ☐ No |

# CAPRIS FURNITURE INDUSTRIES, INC.
# EMPLOYEE STOCK OWNERSHIP
# AND SAVINGS PLAN
# Ocala, Florida

## ANNUAL FINANCIAL STATEMENTS
## AND SUPPLEMENTAL SCHEDULE
## Year Ended December 31, 2015

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# Independent Auditors' Report

To the Administrative Committee of
Capris Furniture Industries, Inc. Employee Stock
Ownership and Savings Plan

**Report on the Financial Statements**
We were engaged to audit the accompanying financial statements of Capris Furniture Industries, Inc. Employee Stock Ownership and Savings Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2015 and 2014, and the related statement of changes in net assets available for benefits for the year ended December 31, 2015, and the related notes to the financial statements.

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

**Auditors' Responsibility**
Our responsibility is to express an opinion on these financial statements based on conducting the 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.

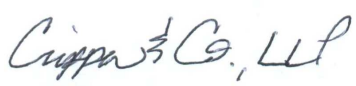
**Basis for Disclaimer of Opinion**
As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note K, which was certified by Nationwide Financial Services, Inc., the custodian of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. We have

been informed by the plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the custodian as of and for the years ended December 31, 2015 and 2014, that the information provided to the plan administrator by the custodian is complete and accurate.

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

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

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



Ocala, Florida
September 20, 2016

**CAPRIS FURNITURE INDUSTRIES, INC.**
**EMPLOYEE STOCK OWNERSHIP AND SAVINGS PLAN**
**Ocala, Florida**
**STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS**
**December 31, 2015**

**ASSETS**

| | 401(k) | ESOP Match Allocated | ESOP Allocated | ESOP Unallocated | 401(k) & ESOP Total |
|---|---|---|---|---|---|
| Investments at fair value: | | | | | |
| Mutual funds | $ 2,475,492 | $ - | $ - | $ - | $ 2,475,492 |
| Common stock, Capris Furniture Industries, Inc. | - | 1,191,866 | 1,317,415 | 55 | 2,509,336 |
| Receivables: | | | | | |
| Notes receivable from participants | 136,761 | - | - | - | 136,761 |
| Cash and cash equivalents | - | - | 181,283 | 63,980 | 245,263 |
| **Total Assets** | 2,612,253 | 1,191,866 | 1,498,698 | 64,035 | 5,366,852 |

**LIABILITIES**

| | | | | | |
|---|---|---|---|---|---|
| Loan payable | - | - | - | - | - |
| **Total Liabilities** | - | - | - | - | - |
| **Net Assets Available for Plan Benefits** | $ 2,612,253 | $ 1,191,866 | $ 1,498,698 | $ 64,035 | $ 5,366,852 |

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

**CAPRIS FURNITURE INDUSTRIES, INC.**
**EMPLOYEE STOCK OWNERSHIP AND SAVINGS PLAN**
**Ocala, Florida**
**STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS**
**December 31, 2014**

**ASSETS**

| | 401(k) | ESOP Match Allocated | ESOP Allocated | ESOP Unallocated | 401(k) & ESOP Total |
|---|---|---|---|---|---|
| Investments at fair value: | | | | | |
| Mutual funds | $ 2,460,859 | $ - | $ - | $ - | $ 2,460,859 |
| Common stock, Capris Furniture Industries, Inc. | - | 808,075 | 923,700 | 206,098 | 1,937,873 |
| Receivables: | | | | | |
| Notes receivable from participants | 153,550 | - | - | - | 153,550 |
| Cash and cash equivalents | - | - | 82,632 | 42,492 | 125,124 |
| **Total Assets** | 2,614,409 | 808,075 | 1,006,332 | 248,590 | 4,677,406 |
| **LIABILITIES** | | | | | |
| Loan payable | - | - | - | 546,917 | 546,917 |
| **Total Liabilities** | - | - | - | 546,917 | 546,917 |
| **Net Assets Available (Deficit) for Plan Benefits** | $ 2,614,409 | $ 808,075 | $ 1,006,332 | $ (298,327) | $ 4,130,489 |

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

**CAPRIS FURNITURE INDUSTRIES, INC.**
**EMPLOYEE STOCK OWNERSHIP AND SAVINGS PLAN**
**Ocala, Florida**
**STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS**
**Year Ended December 31, 2015**

| | 401(k) | ESOP Match Allocated | ESOP Allocated | ESOP Unallocated | 401(k) & ESOP Total |
|---|---|---|---|---|---|
| **Additions to Net Assets Attributed to:** | | | | | |
| **Investment Income** | | | | | |
| Net (depreciation) appreciation in fair value of investments | $ (73,624) | $ 249,456 | $ 261,969 | $ 60,038 | $ 497,839 |
| **Interest income on notes receivable from participants** | 5,331 | - | - | - | 5,331 |
| **Contributions:** | | | | | |
| Employer's, net of forfeitures | - | - | - | 564,691 | 564,691 |
| Participants' | 193,619 | - | - | - | 193,619 |
| Allocation of 10,852.9620 shares of common stock of Capris Furniture Industries, Inc. at market value | - | 134,335 | 132,539 | - | 266,874 |
| Stock distribution | - | - | 187,230 | 22,282 | 209,512 |
| **Total Contributions** | 193,619 | 134,335 | 319,769 | 586,973 | 1,234,696 |
| **Total Additions** | 125,326 | 383,791 | 581,738 | 647,011 | 1,737,866 |
| **Deductions from Net Assets Attributed to:** | | | | | |
| Plan benefits paid | 127,482 | - | 89,372 | - | 216,854 |
| Interest expense | - | - | - | 17,775 | 17,775 |
| Allocation of 10,852.9620 shares of common stock of Capris Furniture Industries, Inc. at market value | - | - | - | 266,874 | 266,874 |
| **Total Deductions** | 127,482 | - | 89,372 | 284,649 | 501,503 |
| **Net (Decrease) Increase** | (2,156) | 383,791 | 492,366 | 362,362 | 1,236,363 |
| **Net Assets Available (Deficit) for Benefits:** | | | | | |
| **Beginning of Year** | 2,614,409 | 808,075 | 1,006,332 | (298,327) | 4,130,489 |
| **End of Year** | $ 2,612,253 | $ 1,191,866 | $ 1,498,698 | $ 64,035 | $ 5,366,852 |

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

**CAPRIS FURNITURE INDUSTRIES, INC.**
**EMPLOYEE STOCK OWNERSHIP AND SAVINGS PLAN**
**Ocala, Florida**
**NOTES TO FINANCIAL STATEMENTS**
**December 31, 2015**

## NOTE A - DESCRIPTION OF PLAN

The following description of Capris Furniture Industries, Inc. Employee Stock Ownership and Savings Plan, (the "Plan"), provides only general information. Participants should refer to the plan agreement for a more detailed description of the Plan's provisions.

**General -** The Plan is a defined contribution plan designed to provide benefits to eligible employees of Capris Furniture Industries, Inc. (an S corporation) (the "Company") upon retirement, disability, death or termination of employment and was established on January 1, 1993 and amended and restated on January 1, 2003, January 1, 2004, January 1, 2011 and again on January 1, 2012.

The Plan was organized as a profit sharing plan under §401(a) and §401(k) of the Internal Revenue Code (the "Code") until January 1, 2004. Capris Furniture Industries, Inc. established the Capris Furniture Industries, Inc. Employee Stock Ownership and Savings Plan effective as of January 1, 2004. At that time, the Plan was amended and operates, in relevant part, as a leveraged employee stock ownership and savings plan (ESOP) that contains a cash or deferred feature, and is designed to comply with Section 4975(e) and the regulations there under of the Code, as amended and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

The Plan is administered by an Employee Benefits Administration Committee comprised of not less than two nor more than seven persons appointed by the Capris Furniture Industries, Inc.'s Board of Directors. Nationwide Financial Services, Inc., an independent third-party, is the Plan's custodian for the 401(k) plan assets and the ESOP allocated investments. The trustees, Pedro R. Interian and Donald R. Beaudet, are custodians of the Company stock (ESOP plan asset) and all other ESOP plan assets are being held at Lincoln Financial Securities. The Plan covers substantially all eligible employees of the Company.

The Plan purchased Company common shares using the proceeds of a loan granted by the Company (Note I) and collateralized by the common stock of the Company, held in a trust established by the Plan. The borrowing is to be repaid over a period of ten years by fully deductible Company contributions to the trust fund. As the Plan makes each payment of principal, an appropriate percentage of stock will be allocated to eligible employees' accounts in accordance with applicable regulations under the Code. Shares vest fully upon allocation.

The borrowing is collateralized by the unallocated shares of stock. The lender has no rights against shares once they are allocated under the ESOP, nor does it have rights against the 401(k) assets.

**NOTE A - DESCRIPTION OF PLAN (continued)**

Accordingly, the financial statements of the Plan as of December 31, 2015 and 2014 and for the year ended December 31, 2015 present separately the assets and liabilities and changes therein pertaining to:

1. the accounts of employees with vested rights in allocated ESOP stock and allocated match stock
2. stock not yet allocated to employees (Unallocated) and
3. 401(k) assets.

The Plan was amended and restated January 1, 2011 to adopt provisions allowing the employer to make contributions using the safe harbor match method. Participants are fully vested when safe harbor matching contributions are made. All eligible employees who made elective deferrals in the plan year participate in the match.

**Contributions and Funding Policy -** Employees are permitted to defer up to 100 percent of allowable compensation within the meaning of section 415(c)(3) of the Code for the limitation year as adjusted for increases in the cost-of-living under section 415(d) of the Code. Participants who have attained age 50 before the end of the plan year are eligible to make catch-up contributions. The employer may make discretionary contributions each year as determined by the Board. In addition to any employer discretionary contributions, a safe harbor match may be made on behalf of the participants in an amount equal to 100% of the elective deferral. The safe harbor match contribution is fully vested when made and is made to all eligible employees who made elective deferrals. The Company made a safe harbor match of employees' elective deferral contributions up to a maximum of four percent, with allocated stock during 2015. Other qualified, non-elective contributions may be made to the Plan at the Company's discretion. It is the Company's policy to remit the employees' contribution with each weekly payroll.

Employer discretionary contributions are made at the Company’s discretion and are not required to be made every year. Qualified participants will be entitled to a share of the contributions. Qualified participant means any participant who is credited with more than 1,000 hours of service during the plan year in question and who are employed on the last day of the plan year or whose retirement or death occurred during the plan year in question.

The Company may make cash distributions to shareholders. The cash distributions made during 2015 totaled $209,512 and were allocated to and within the Plan based on stock allocations.

**CAPRIS FURNITURE INDUSTRIES, INC.**
**EMPLOYEE STOCK OWNERSHIP AND SAVINGS PLAN**
**Ocala, Florida**
**NOTES TO FINANCIAL STATEMENTS**
**December 31, 2015**

**NOTE A - DESCRIPTION OF PLAN (continued)**

**Participant Accounts -** The Plan is a deferred contribution plan under which a separate individual account is established for each participant.

Each participant's account is credited as of the last day of each plan year with an allocation of shares of the Company's common stock released by the Trustee from the unallocated account and forfeitures of terminated participants' non-vested accounts. Employer safe harbor matching contributions will be credited to all eligible participants determined according to the provisions of the Plan. Employer discretionary contributions will be credited to only those participants who are eligible employees of the Company as of the last day of the plan year. Allocations for employer discretionary contributions are based on a participant's eligible compensation, relative to total eligible compensation and years of service as defined by the Plan.

Each participant's account is adjusted with debits and credits as described in the Plan agreement and the participants should refer to the plan agreement for a more complete description of the Plan's provisions. In general, the participant's account is credited with the participant's contribution, an allocation of the employer contribution, and plan earnings (losses) and charged with withdrawals, forfeitures and fees. 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.

The Plan does not accept rollover contributions.

**Vesting -** Employee contributions, employer safe harbor matching contributions, employer qualified nonelective contributions and the related allocated net income or loss are fully vested upon contribution. Vesting in the employer discretionary contributions, plus actual earnings thereon, is based upon years of service as follows:

| Years of Service | Nonforfeitable Percentage |
|---|---|
| Less than 1 year | 20% |
| 2 years | 40% |
| 3 years | 60% |
| 4 years | 80% |
| 5 years | 100% |

Participants are 100% vested upon attaining normal retirement age (age 65), or death or disability.

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**EMPLOYEE STOCK OWNERSHIP AND SAVINGS PLAN**
**Ocala, Florida**
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## NOTE A - DESCRIPTION OF PLAN (continued)

**Notes Receivable from Participants -** Participants may borrow from their fund accounts a minimum of $1,000 and up to a maximum equal to the lesser of $50,000 or 50% of their vested account balance attributed to elective deferrals, qualified non-elective contribution and employer matching contributions. Loan terms will not exceed five years except for loans used to purchase primary residences. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined by the plan administrator. The interest rate for 2015 and 2014 was 4.25%. Principal and interest is paid ratably through payroll deductions.

**Eligibility -** Employees (except for non-resident aliens and union) of the Company who have completed twelve months of eligible service providing they worked at least 1,000 hours during such plan year and have attained 21 years of age are eligible to participate in the Plan. The entry date is the first day of the first and seventh month of the plan year following the date eligibility requirements have been met. Participants who do not have at least 1,000 hours of service during such plan year or are not employed on the last working day of a plan year are generally not eligible for an allocation of Company discretionary contributions for such year.

**Payment of Benefits -** Benefits will be paid according to the terms of the Plan. Benefits are recorded when paid.

Hardship withdrawals are permitted on elective deferrals and qualified non-elective contributions only.

In-service withdrawals are allowed on elective deferrals, qualified non-elective contributions and fully vested employer matching contributions upon attaining age 59-1/2.

Payment of benefits upon termination for elective deferrals, qualified non-elective contributions, and employer matching contributions shall be made as soon as administratively feasible. Payment of benefits upon termination for employer discretionary and employer matching contributions shall begin no later than one year after the close of the 5th plan year in which the participant was separated from service.

Payment of benefits upon termination due to death, disability or retirement shall begin not later than one year after the close of the plan year in which the event occurs.

**CAPRIS FURNITURE INDUSTRIES, INC.**
**EMPLOYEE STOCK OWNERSHIP AND SAVINGS PLAN**
**Ocala, Florida**
**NOTES TO FINANCIAL STATEMENTS**
**December 31, 2015**

**NOTE A - DESCRIPTION OF PLAN (continued)**

Under the provisions of the Plan, the company is obligated to repurchase participant shares which have been distributed under the terms of the Plan as long as the shares are not publicly traded or if the shares are subject to trading limitations.

**Forfeited Accounts -** Forfeitures may be used to offset the amount of any employer contribution. There were no forfeitures of terminated non-vested account balances allocated to remaining participants at December 31, 2015 and 2014. Plan forfeitures are allocated to each participant's account in the same manner as employer discretionary contributions and employer matching contributions.

**Voting Rights -** Each participant may be entitled to direct the manner in which certain voting rights are exercised on full shares of stock attributable to the shares allocated to his or her account and is notified by the Trustee prior to the time that such rights are to be exercised. In the event voting directions are not given, such stock shall or shall not be voted by the Trustee in its sole discretion shall deem appropriate. The Trustee is required, however, to vote any unallocated shares.

**Put Option -** Under Federal income tax regulations, the employer stock that is held by the Plan and its participants and is not readily tradable on an established market, or is subject to trading limitations including a put option. The put option is a right to demand that the Company buy any shares of its stock distributed to participants for which there is no market. The put price is representative of the fair market value of the stock. The Company can pay for the purchase with interest over a period of five years. The purpose of the put option is to ensure that the participant has the ability to ultimately obtain cash.

**Diversification -** Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in Company stock into investments which are more diversified. Participants who are at least age 55 with at least 10 years of participation in the Plan may elect to diversify a portion of their account. Diversification is offered to each of these eligible participants over a six-year period. In each of the first five years, a participant may diversify up to 25% of the value of the participant's account balance, attributable to Company stock, less any shares previously diversified. In the sixth year, the percentage changes to 50%. Participants who elect to diversify receive a cash distribution.

**CAPRIS FURNITURE INDUSTRIES, INC.**
**EMPLOYEE STOCK OWNERSHIP AND SAVINGS PLAN**
**Ocala, Florida**
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## NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed are:

**Date of Management's Review -** Subsequent events were evaluated through September 20, 2016, which is the date the financial statements were available to be issued.

**Estimates -** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

**Basis of Accounting -** The accompanying financial statements are prepared on the accrual basis of accounting.

**Notes Receivable from Participants -** Notes receivable from participants are measured at their unpaid principal balance plus any accrued but, unpaid interest. Delinquent participant loans are reclassified as distributions based on the terms of the plan document.

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

The common shares of the Company are valued at estimated fair value. See Note C for a discussion of fair value measurements.

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

**Payment of Benefits -** Benefits are recorded when paid.

**Operating Expenses -** Expenses of the Plan are paid by the Company and participants. These expenses do not include indirect fees charged by mutual funds and other service providers.

## NOTE C - FAIR VALUE MEASUREMENTS

The Plan's investments are reported at fair value in the accompanying statement of net assets available for benefits. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables present fair value measurement information for certain financial instruments. The carrying values of receivables, cash, and payables included in the accompanying statement of net assets available for benefits approximated fair value as of December 31, 2015 and 2014, and are thus not included in the following table.

| | | Fair Value Measurements at the End of the Reporting Period Using: | |
|---|---|---|---|
| December 31, 2015 | Fair Value | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Unobservable Inputs (Level 3) |
| Mutual funds: | | | |
| Balanced funds | $ 101,358 | $ 101,358 | $ - |
| Bond funds | 282,809 | 282,809 | - |
| Cash - money market funds | 236,520 | 236,520 | - |
| International stock funds | 382,958 | 382,958 | - |
| Large cap stock funds | 1,030,570 | 1,030,570 | - |
| Mid cap stock funds | 202,396 | 202,396 | - |
| Short-term bond funds | 3,846 | 3,846 | - |
| Allocation funds | 34,667 | 34,667 | - |
| Small cap stock funds | 200,368 | 200,368 | - |
| Capris Furniture Industries, Inc. common stock | 2,509,336 | - | 2,509,336 |
| Total | $ 4,984,828 | $ 2,475,492 | $ 2,509,336 |

**CAPRIS FURNITURE INDUSTRIES, INC.**
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**NOTE C - FAIR VALUE MEASUREMENTS (continued)**

| December 31, 2014 | Fair Value | (Level 1) | (Level 3) |
|---|---|---|---|
| Mutual funds: | | | |
| Balanced funds | $ 22,514 | $ 22,514 | $ - |
| Bond funds | 61,862 | 61,862 | - |
| Cash - money market funds | 486,756 | 486,756 | - |
| International stock funds | 434,423 | 434,423 | - |
| Large cap stock funds | 851,662 | 851,662 | - |
| Mid cap stock funds | 325,808 | 325,808 | - |
| Short-term bond funds | 2,884 | 2,884 | - |
| Small cap stock funds | 80,861 | 80,861 | - |
| Specialty funds | 194,089 | 194,089 | - |
| Capris Furniture Industries, Inc. common stock | 1,937,873 | - | 1,937,873 |
| Total | $ 4,398,732 | $ 2,460,859 | $ 1,937,873 |

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs are unobservable and have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. No Level 2 inputs were available to the Plan, and Level 3 inputs were only used when Level 1 or Level 2 inputs were not available.

**Level 1 Fair Value Measurements -** The fair value of mutual funds is determined by Nationwide Financial Services, Inc.'s unit value formula.

**Level 3 Fair Value Measurements -** The fair value of Capris Furniture Industries, Inc. common stock is determined by an annual independent appraisal. This appraisal was based upon a combination of the market and income valuation approaches consistent with prior years. The appraiser took into account historical and projected cash flow and net earnings, return on assets, return on equity, market comparables, estimated fair value of company assets and liabilities and applicable discounts and premiums.

The following table provides further details of this Level 3 fair value measurement.

**NOTE C - FAIR VALUE MEASUREMENTS (continued)**

**Fair Value Measurements Using Significant Unobservable Inputs (Level 3):**

| December 31, 2015 | Capris Furniture Industries, Inc. Common Stock |
|---|---|
| Beginning balance | $ 1,937,873 |
| Total gains or losses (realized and unrealized) included in changes in net assets available for benefits | 571,463 |
| Purchases, issues, sales and settlements: | |
| Purchases | - |
| Issues | - |
| Sales | - |
| Settlements | - |
| Ending balance | $ 2,509,336 |

| December 31, 2014 | Capris Furniture Industries, Inc. Common Stock |
|---|---|
| Beginning balance | $ 1,865,420 |
| Total gains or losses (realized and unrealized) included in changes in net assets available for benefits | 72,453 |
| Purchases, issues, sales and settlements: | |
| Purchases | - |
| Issues | - |
| Sales | - |
| Settlements | - |
| Ending balance | $ 1,937,873 |

Total gains or losses for the year included in changes in net assets available for benefits are attributable to the change in unrealized gains or losses relating to investments held at the end of the reporting period.

Gains and losses (realized and unrealized) included in changes in net assets available for benefits for the year ended December 31, 2015 are reported in net appreciation in the fair value of investments.

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## NOTE D - INVESTMENTS

The Plan's investments in Capris Furniture Industries, Inc. common shares as of December 31, 2015 and 2014 are as follows:

| | 2015 | | 2014 | |
|---|---|---|---|---|
| | Allocated | Unallocated | Allocated | Unallocated |
| Number of shares | 102,044.7584 | 2.2420 | 91,194.0379 | 10,852.9621 |
| Cost | $ 2,714,653 | $ 2,296,875 | $ 2,447,779 | $ 2,563,749 |
| Estimated fair value | $ 2,509,281 | $ 55 | $ 1,731,775 | $ 206,098 |

Investments representing 5% or more of net assets available for benefits as of December 31, 2015 and 2014 are as follows:

Mutual funds:

| | 2015 | 2014 |
|---|---|---|
| Nationwide S&P 500 Index Svc 485,035.7177 and 397,150.9233 units, respectively | $ 693,611 | $ 565,054 |
| Nationwide Money Market Fund 487,401.5467 units for 2014 | - | 486,756 |
| Lazard Intnl Strategic Eqty Opn Fund 227,971.1653 units for 2014 | - | 222,390 |
| Massachusetts Inv Gr Stk R4 Fund 86,259.8741 units for 2014 | - | 209,099 |

## NOTE E - RELATED PARTY TRANSACTIONS

Certain plan investments are shares of mutual funds managed by the Nationwide Financial Services, Inc. and their affiliates. Nationwide Financial Services, Inc. is the custodian as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. For the year ended December 31, 2015, fees paid by the Plan, as provided by Nationwide Financial Services, Inc., the custodian, were $27,073 in direct compensation, as reported on Form 5500, $5,186 in indirect compensation, as reported on Form 5500. These fees were allocated to participant accounts as defined by the Plan and are included in the net appreciation/(depreciation) of plan investments. Participants paid $23,019 of expense which is included in the amount of gain or loss reported on registered investments for the year ended December 31, 2015.

**NOTE E - RELATED PARTY TRANSACTIONS (continued)**

Retirement Plan Specialists, Inc. provides recordkeeping services to the Plan and qualifies as a party-in-interest. For the year ended December 31, 2015, fees paid by the Plan, as provided by Nationwide Financial Services, Inc., the custodian, to Retirement Plan Specialists, Inc. were $8,593 in direct compensation, as reported on Form 5500 and $1,616 in indirect compensation, not required to be reported on Form 5500. The direct compensation was for loan maintenance, set-up and withdrawal fees and allocated to participant accounts as defined by the Plan. The indirect compensation was for administrative services and allocated to participant accounts as defined by the Plan.

Hanlon Investment Management, Inc. provides management advisory services to the Plan and qualifies as a party-in interest. For the year ended December 31, 2015, fees paid by the Plan, as provided by Nationwide Financial Services, Inc., the custodian, to Hanlon Investment Management Inc. were $9,700 in direct compensation, as reported on Form 5500 and $3,880 in indirect compensation, not required to be reported on Form 5500. These fees were allocated to participant accounts as defined by the Plan.

Lincoln Financial Securities Corporation provides services to the Plan and qualifies as a party-in-interest. For the year ended December 31, 2015, fees paid by the Plan, as provided by Nationwide Financial Services, Inc., the custodian, to Lincoln Financial Securities Corporation were $12,408 in indirect compensation, not required to be reported on Form 5500.

The Company pays certain administrative costs for the Plan. These fees totaled $59,982 for the year ended December 31, 2015.

**NOTE F - PLAN TERMINATION**

The Company reserves the right to terminate the Plan at any time, subject to plan provisions. Upon such termination of the Plan, the interest of each participant in the trust fund will be distributed to such participant or his or her beneficiary at the time prescribed by the plan terms and the Code.

**NOTE G - ADMINISTRATION OF PLAN ESOP ASSETS**

The Plan's ESOP plan assets, which primarily consist of Capris Furniture Industries, Inc. common shares are held by the Trustees of the Plan.

**CAPRIS FURNITURE INDUSTRIES, INC.**
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## NOTE G - ADMINISTRATION OF PLAN ESOP ASSETS (continued)

Company contributions are held and managed by the Trustees, which invest cash received, interest, and dividend income and makes distributions to participants. The Trustees also administer the payment of interest and principal on the loan, which is reimbursed to the Trustees through contributions as determined by the Company.

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

## NOTE H - RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500

The following is a reconciliation of the net assets available for benefits per the financial statements as of December 31, 2015 and 2014 to Schedule H of Form 5500:

| | 2015 | 2014 |
|---|---|---|
| Net assets available for benefits per statements | $ 5,366,852 | $ 4,130,489 |
| Adjustments | - | - |
| Net assets per Form 5500 | $ 5,366,852 | $ 4,130,489 |

The following is a reconciliation of the net increase in net assets available for benefits per the financial statements for the year ended December 31, 2015 to Schedule H of Form 5500:

| | 2015 |
|---|---|
| Net increase per statements | $ 1,236,363 |
| Adjustments | - |
| Net increase per Form 5500 | $ 1,236,363 |

**CAPRIS FURNITURE INDUSTRIES, INC.**
**EMPLOYEE STOCK OWNERSHIP AND SAVINGS PLAN**
**Ocala, Florida**
**NOTES TO FINANCIAL STATEMENTS**
**December 31, 2015**

## NOTE I - LOAN PAYABLE

In 2005, the Plan entered into a $4,511,528 loan agreement with the Company. The proceeds of the loan were used to purchase the Company's common stock. Unallocated shares are collateral for the loan. The agreement provides for the loan to be repaid over ten years. The estimated fair market value of the note payable as of December 31, 2015 and 2014 was approximately $0 and $546,917, respectively, determined by using the rate of interest applicable for each respective period. The loan bears interest at the prime rate as published in the Wall Street Journal. For 2015 and 2014 the loan interest rate was 3.25%.

## NOTE J - EMPLOYER CONTRIBUTIONS

The Company is obligated to make contributions in cash to the Plan which, when aggregated with the Plan's dividends, interest and distribution earnings equal the amount necessary to enable the Plan to make its regularly scheduled payments of principal and interest due on its term loan.

## NOTE K - ASSETS HELD BY CUSTODIAN

The plan administrator has received from the custodian of certain assets for the trust created under the Plan, certifications of financial information and data in accordance with the Department of Labor Rules and Regulations for Reporting and Disclosure under ERISA. The data certified includes all of the 401(k) plan activity. The information certified includes total investments of $2,475,492 as of December 31, 2015, and related depreciation in value of $73,624 and interest income of $5,331 for the year ended December 31, 2015.

## NOTE L - TAX STATUS

The Internal Revenue Service has determined and informed the Company by a letter dated September 24, 2013, that the Plan is qualified and the trust established under the Plan is tax-exempt, under the appropriate sections of the Code. The Plan has not been amended and restated since receiving the 2013 determination letter. The plan administrator and the Plan's tax counsel believe that the Plan in its current form and as currently operated is designed in compliance with the applicable requirements of the Code and therefore believe that the Plan is qualified and the related trust was tax-exempt as of the financial statement date.

## NOTE L - TAX STATUS

U.S. GAAP require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the applicable taxing authority. The Plan is subject to routine audits by taxing jurisdictions. The Plan has received notice that the Form 5500 for the plan year ending December 31, 2014 has been selected for audit by the IRS. The plan administrator believes the Plan is no longer subject to income tax examinations for years prior to 2012.

## NOTE M - 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.

# SUPPLEMENTAL SCHEDULE

**CAPRIS FURNITURE INDUSTRIES, INC.**
**EMPLOYEE STOCK OWNERSHIP AND SAVINGS PLAN**
**Ocala, Florida**
**EIN: 59-2694517**
**PLAN NUMBER: 001**
**SCHEDULE H: LINE 4i-SCHEDULE OF ASSETS (HELD AT END OF YEAR)**
**December 31, 2015**

| (a) | (b) IDENTITY OF ISSUE | (c) DESCRIPTION | (d) COST | (e) CURRENT VALUE |
|---|---|---|---|---|
| * | Participant Loans | 4.25% interest rate | $ 0 | $ 136,761 |
| * | Nationwide Money Market Fund | Mutual funds | | 236,520 |
| | Lord Abbott Hi Yield A | Mutual funds | | 228,797 |
| | Vanguard Bal Indx Inv | Mutual funds | | 50,829 |
| | Principal Inv Hi Yield | Mutual funds | | 11,439 |
| | Drey Intl Valuation A | Mutual funds | | 20,548 |
| | Legg M Clr Brdg Small Cap Gr A | Mutual funds | | 118,032 |
| | Invsco Com StK A | Mutual funds | | 23,876 |
| | Lord Abbett Short Duration Income Fund | Mutual funds | | 3,171 |
| | AB Global Bond I Fund | Mutual funds | | 8,057 |
| | Vanguard 500 Index Investment Fund | Mutual funds | | 39,687 |
| | Vanguard Balanced Index Fund Admiral Shares | Mutual funds | | 34,667 |
| | Vanguard Small Cap Index Fund Investor Shares | Mutual funds | | 176,492 |
| | Lazard International Strategic Equity Open Fund | Mutual funds | | 218,752 |
| | Metropolitan West Total Return Bond Fund | Mutual funds | | 34,365 |
| * | Nationwide Mid Cap Market Index Inst | Mutual funds | | 47,655 |
| * | Nationwide Internation Index Fund | Mutual funds | | 25,626 |
| * | Nationwide S&P 500 Index Svc | Mutual funds | | 693,611 |
| | Principal Mid Cap Value III Instl | Mutual funds | | 130,573 |
| | Rydex SGI S&P 500 Pure Value H | Mutual funds | | 24,168 |
| | Harbor Capital Appreciation Instl | Mutual funds | | 222,133 |
| | JP Morgan Mirtgage-Backed Securities R6 | Mutual funds | | 155 |
| | ClearBridge Internation Small Cap I | Mutual funds | | 2 |
| | T Rowe Price Personal Stat Gr | Mutual funds | | 42,780 |
| | Vanguard Equity-Income Adm | Mutual funds | | 75,137 |
| | Vanguard Target Retirement 2020 Inv | Mutual funds | | 415 |
| | Vanguard Target Retirement 2025 Inv | Mutual funds | | 1,018 |
| | Vanguard Target Retirement 2030 Inv | Mutual funds | | 1,313 |
| | Vanguard Target Retirement 2035 Inv | Mutual funds | | 2,634 |
| | Vanguard Target Retirement 2040 Inv | Mutual funds | | 1,249 |
| | Vanguard Target Retirement 2045 Inv | Mutual funds | | 302 |
| | Vanguard Target Retirement 2050 Inv | Mutual funds | | 385 |
| | Vanguard Target Retirement 2055 Inv | Mutual funds | | 430 |
| | Vanguard Wellesley Income Admiral | Mutual funds | | 3 |

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

**CAPRIS FURNITURE INDUSTRIES, INC.**
**EMPLOYEE STOCK OWNERSHIP AND SAVINGS PLAN**
**Ocala, Florida**
**EIN: 59-2694517**
**PLAN NUMBER: 001**
**SCHEDULE H: LINE 4i-SCHEDULE OF ASSETS (HELD AT END OF YEAR) continued**
**December 31, 2015**

| (a) | (b) IDENTITY OF ISSUE | (c) DESCRIPTION | (d) COST | (e) CURRENT VALUE |
|---|---|---|---|---|
| | Wells Fargo Adjustable Rate Government Inst | Mutual funds | | 671 |
| * | Lincoln Financial Securities | Mutual funds | 245,263 | 245,263 |
| * | Capris Furniture Industries, Inc. | Common Stock - Allocated | 2,714,653 | 2,509,281 |
| * | Capris Furniture Industries, Inc. | Common Stock - Unallocated | 2,296,875 | 55 |
| | | | $5,256,791 | $5,366,852 |

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

# Schedule H, line 4i
# Schedule of Assets (Held At End of Year)

For the plan year beginning **01/01/2015** and ending **12/31/2015**

Name of plan
**Capris Furniture Industries, Inc. Employee Stock Ownership & Savings Plan**

Employer Identification Number
**59-2694517**

Three-digit plan number ► **001**

| (a) | (b) Identity of issue, borrower, lessor, or similar party | (c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value | (d) Cost | (e) Current value |
|---|---|---|---|---|
| * | Participant Loans | 4.25% Interest Rate | | 136,761 |
| * | Nationwide Money Market Fund | Mutual Funds | | 236,520 |
| | Lord Abbott Hi Yield A | Mutual Funds | | 228,797 |
| | Vanguard Bal Indx Inv | Mutual Funds | | 50,829 |
| | Principal Inv Hi Yield | Mutual Funds | | 11,439 |
| | Drey Intl Valuation A | Mutual Funds | | 20,548 |
| | Legg M Clr Brdg Small Cap Gr A | Mutual Funds | | 118,032 |
| | Invsco Com Stk A | Mutual Funds | | 23,876 |
| | Lord Abbett Short Duration Inc | Mutual Funds | | 3,171 |
| | AB Global Bond I fund | Mutual Funds | | 8,057 |
| | Vanguard 500 Index Investment | Mutual Funds | | 39,687 |
| | Vanguard Balcd Indx Fnd Admir | Mutual Funds | | 34,667 |
| | Vanguard Smll Cp Inx Fnd Inv | Mutual Funds | | 176,492 |
| | Lazard Intl Strtic Equ Opn Fd | Mutual Funds | | 218,752 |
| | Metro W Totl Retn Bond Fund | Mutual Funds | | 34,365 |
| * | NW Mid Cap Mrkt Indx Fund | Mutual Funds | | 47,655 |
| * | NW Intl Index Fund | Mutual Funds | | 25,626 |
| * | NW S&P 500 Index Svc | Mutual Funds | | 693,611 |
| | Principal Mid Cap Value III In | Mutual Funds | | 130,573 |
| | Rydex SGI S&P 500 Pure Val H | Mutual Funds | | 24,168 |
| | Harbor Capital Apprec Instl | Mutual Funds | | 222,133 |
| | JP Morgan Mortg-Bckd Secs R6 | Mutual Funds | | 155 |
| | ClearBridge Intl Smll CapI | Mutual Funds | | 2 |
| | T Rowe Price Persl Stat Gr | Mutual Funds | | 42,780 |
| | Vang Equity-Income Adm | Mutual Funds | | 75,137 |
| | Vang Target Ret 2025 Inv | Mutual Funds | | 1,018 |
| | Vang Target Ret 2030 Inv | Mutual Funds | | 1,313 |
| | Vang Target Ret 2035 Inv | Mutual Funds | | 2,634 |
| | Vang Target Ret 2040 Inv | Mutual Funds | | 1,249 |
| | Vang Target Ret 2020 Inv | Mutual Funds | | 415 |
| | Vang Target Ret 2045 Inv | Mutual Funds | | 302 |
| | Vang Target Ret 2050 | Mutual Funds | | 385 |
| | Vang Target Ret 2055 Inv | Mutual Funds | | 430 |
| | Vang Wellesley Inc Admiral | Mutual Funds | | 3 |
| | Wells Fargo Adj Rte Gov Inst | Mutual Funds | | 671 |
| * | Lincoln Financial Securities | Mutual Funds | 245,263 | 245,263 |
| * | Capris Furniture Industries | Common Stock Allocated | 2,714,653 | 2,509,281 |
| * | Carpis Furniture Industries | common Stock Unallocated | 2,296,875 | 55 |
| | | | | |