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
KRETEK INTERNATIONAL, INC. 401K PROFIT SHARING PLAN

1b Three-digit plan number (PN) ▶ 002

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)
KRETEK INTERNATIONAL, INC.

5449 ENDEAVOR COURT
MOORPARK, CA 93021

2b Employer Identification Number (EIN)
77-0013041

2c Plan Sponsor's telephone number
805-531-8888

2d Business code (see instructions)
812990

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.	10/13/2016	DON GORMELY
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

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**	282
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)**	264
a(2)	Total number of active participants at the end of the plan year	**6a(2)**	269
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	6
d	Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	275
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f	Total. Add lines **6d** and **6e**.	**6f**	275
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	201
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	17
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
2E 2G 2J 3D

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

9a Plan funding arrangement (check all that apply)		**9b** Plan benefit arrangement (check all that apply)	
(1) [X]	Insurance	**(1)** [X]	Insurance
(2) [ ]	Code section 412(e)(3) insurance contracts	**(2)** [ ]	Code section 412(e)(3) insurance contracts
(3) [X]	Trust	**(3)** [X]	Trust
(4) [ ]	General assets of the sponsor	**(4)** [ ]	General assets of the sponsor

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

a Pension Schedules

- **(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)** [X] 1 **A** (Insurance Information)
- **(4)** [X] **C** (Service Provider Information)
- **(5)** [X] **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 A (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Insurance Information

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

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

▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

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
KRETEK INTERNATIONAL, INC. 401K PROFIT SHARING PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
KRETEK INTERNATIONAL, INC.

D Employer Identification Number (EIN)
77-0013041

Part I Information Concerning Insurance Contract Coverage, Fees, and Commissions

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
JOHN HANCOCK LIFE INSURANCE 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
01-0233346	65838	116476	212	01/20/2015	12/31/2015

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
23182	19523

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
MORGAN STANLEY INSURANCE SERVICES
2000 WESTCHESTER AVE
LOS ANGELES, CA 90011

(b) Amount of sales and base commissions paid	Fees and other commissions paid		
	(c) Amount	(d) Purpose	(e) Organization code
23182			3

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid
QBI, LLC
21031 VENTURA BLVD.
12TH FLOOR
WOODLAND HILLS, CA 91364

(b) Amount of sales and base commissions paid	Fees and other commissions paid		
	(c) Amount	(d) Purpose	(e) Organization code
	19442	TPA FEES	5

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

MORGAN STANELY SMITH BARNEY
2000 WESTCHESTER
LOS ANGELES, CA 90011

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	
	81	OTHER ALLOWANCES	3

(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	

(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	

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.

4	Current value of plan's interest under this contract in the general account at year end	**4**	0
5	Current value of plan's interest under this contract in separate accounts at year end	**5**	3354906

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

b	Premiums paid to carrier	**6b**	
c	Premiums due but unpaid at the end of the year	**6c**	
d	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. Specify nature of costs ▶	**6d**	

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 ▶

b	Balance at the end of the previous year			**7b**	
c	Additions: (1) Contributions deposited during the year	**7c(1)**	0		
	(2) Dividends and credits	**7c(2)**	0		
	(3) Interest credited during the year	**7c(3)**	0		
	(4) Transferred from separate account	**7c(4)**	0		
	(5) Other (specify below) ▶	**7c(5)**	0		
	(6) Total additions			**7c(6)**	0
d	Total of balance and additions (add lines **7b** and **7c(6)**).			**7d**	0
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	**7e(1)**	0		
	(2) Administration charge made by carrier	**7e(2)**	0		
	(3) Transferred to separate account	**7e(3)**	0		
	(4) Other (specify below) ▶	**7e(4)**	0		
	(5) Total deductions			**7e(5)**	0
f	Balance at the end of the current year (subtract line **7e(5)** from line **7d**)			**7f**	0

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:				
a Premiums: (1) Amount received	**9a(1)**			
(2) Increase (decrease) in amount due but unpaid	**9a(2)**			
(3) Increase (decrease) in unearned premium reserve	**9a(3)**			
(4) Earned (**(1)** + **(2)** - **(3)**)			**9a(4)**	0
b Benefit charges (1) Claims paid	**9b(1)**			
(2) Increase (decrease) in claim reserves	**9b(2)**			
(3) Incurred claims (add **(1)** and **(2)**)			**9b(3)**	0
(4) Claims charged			**9b(4)**	
c Remainder of premium: (1) Retention charges (on an accrual basis) --				
(A) Commissions	**9c(1)(A)**			
(B) Administrative service or other fees	**9c(1)(B)**			
(C) Other specific acquisition costs	**9c(1)(C)**			
(D) Other expenses	**9c(1)(D)**			
(E) Taxes	**9c(1)(E)**			
(F) Charges for risks or other contingencies	**9c(1)(F)**			
(G) Other retention charges	**9c(1)(G)**			
(H) Total retention			**9c(1)(H)**	0
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)			**9c(2)**	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement			**9d(1)**	
(2) Claim reserves			**9d(2)**	
(3) Other reserves			**9d(3)**	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line **9c(2)**.)			**9e**	
10 Nonexperience-rated contracts:				
a Total premiums or subscription charges paid to carrier			**10a**	
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.			**10b**	

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. ▶

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

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

A Name of plan	B Three-digit plan number (PN) ▶	
KRETEK INTERNATIONAL, INC. 401K PROFIT SHARING PLAN		002
C Plan sponsor's name as shown on line 2a of Form 5500	**D** Employer Identification Number (EIN)	
KRETEK INTERNATIONAL, INC.	77-0013041	

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

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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)

JOHN HANCOCK USA

01-0233346

(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 67	RECORDKEEPING, INS. WRAP	0	Yes [X] No [ ]	Yes [X] No [ ]	10807	Yes [ ] No [X]

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

JOHN HANCOCK LIFE INSURANCE CO

01-0233346

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15	RECORDKEEPER	298	Yes [X] No [ ]	Yes [ ] No [X]	0	Yes [ ] No [X]

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
JOHN HANCOCK USA	15 67	10807

(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.
JOHN HANCOCK, USA 01-0233346	

(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

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(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 D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

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

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

OMB No. 1210-0110

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
KRETEK INTERNATIONAL, INC. 401K PROFIT SHARING PLAN

B Three-digit plan number (PN) ▶ 002

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
KRETEK INTERNATIONAL, INC.

D Employer Identification Number (EIN)
77-0013041

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

a Name of MTIA, CCT, PSA, or 103-12 IE: T ROWE PRICE RETIREMENT 2055
b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY
c EIN-PN 01-0233346-001 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 58430

a Name of MTIA, CCT, PSA, or 103-12 IE: T ROWE PRICE RETIREMENT 2050
b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY
c EIN-PN 01-0233346-002 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 144509

a Name of MTIA, CCT, PSA, or 103-12 IE: T ROWE PRICE RETIREMENT 2045
b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY
c EIN-PN 01-0233346-003 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 635581

a Name of MTIA, CCT, PSA, or 103-12 IE: T ROWE PRICE RETIREMENT 2040
b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY
c EIN-PN 01-0233346-004 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 234629

a Name of MTIA, CCT, PSA, or 103-12 IE: T ROWE PRICE RETIREMENT 2035
b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY
c EIN-PN 01-0233346-005 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 521992

a Name of MTIA, CCT, PSA, or 103-12 IE: T ROWE PRICE RETIREMENT 2030
b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY
c EIN-PN 01-0233346-006 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 353527

a Name of MTIA, CCT, PSA, or 103-12 IE: T ROWE PRICE RETIREMENT 2025
b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY
c EIN-PN 01-0233346-007 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 187909

a Name of MTIA, CCT, PSA, or 103-12 IE: T ROWE PRICE RETIREMENT 2020

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY

c EIN-PN 01-0233346-008	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 316020

a Name of MTIA, CCT, PSA, or 103-12 IE: T ROWE PRICE RETIREMENT 2015

b Name of sponsor of entity listed in (a): JJOHN HANCOCK LIFE INSURANCE COMPANY

c EIN-PN 01-0233346-009	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 167078

a Name of MTIA, CCT, PSA, or 103-12 IE: T ROWE PRICE RETIREMENT 2010

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY

c EIN-PN 01-0233346-010	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 203572

a Name of MTIA, CCT, PSA, or 103-12 IE: T. ROWE PRICE SCI AND TECH

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY

c EIN-PN 01-0233346-011	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 85249

a Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD SMALL CAP GROW INDEX

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY

c EIN-PN 01-0233346-012	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 13296

a Name of MTIA, CCT, PSA, or 103-12 IE: DFA U.S. SMALL CAP FUND

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY

c EIN-PN 01-0233346-013	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 8213

a Name of MTIA, CCT, PSA, or 103-12 IE: MID CAP STOCK FUND

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY

c EIN-PN 01-0233346-014	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 43070

a Name of MTIA, CCT, PSA, or 103-12 IE: TEMPLETON WORLD

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY

c EIN-PN 01-0233346-015	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 7019

a Name of MTIA, CCT, PSA, or 103-12 IE: REAL EST SECURITIES FUND

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY

c EIN-PN 01-0233346-016	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 29237

a Name of MTIA, CCT, PSA, or 103-12 IE: T ROWE PRICE HEALTH SCI

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY

c EIN-PN 01-0233346-017	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 113163

a Name of MTIA, CCT, PSA, or 103-12 IE: WISDOMTREE MC EARNINGS ETC

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY

c EIN-PN 01-0233346-018	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 9113

a Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD SMALL CAP VALUE INDEX

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY

c EIN-PN 01-0233346-019	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 31221

a Name of MTIA, CCT, PSA, or 103-12 IE: VALUE FUND

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY

c EIN-PN 01-0233346-020	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 21339

a Name of MTIA, CCT, PSA, or 103-12 IE: CAPITAL WORLD GROWTH & INCOME

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY

c EIN-PN 01-0233346-021	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3974

a Name of MTIA, CCT, PSA, or 103-12 IE: NEW PERSPECTIVE FUND

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY

c EIN-PN 01-0233346-022	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 14362

a Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD GROWTH INDEX FUND

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY

c EIN-PN 01-0233346-023	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 26914

a Name of MTIA, CCT, PSA, or 103-12 IE: 500 INDEX FUND

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY

c EIN-PN 01-0233346-024	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 84291

a Name of MTIA, CCT, PSA, or 103-12 IE: INVESTMENT COMPANY OF AMERICA

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY

c EIN-PN 01-0233346-025	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 8352

a Name of MTIA, CCT, PSA, or 103-12 IE: FUNDAMENTAL LARGE CAP VALUE

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY

c EIN-PN 01-0233346-026	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 10746

a Name of MTIA, CCT, PSA, or 103-12 IE: TEMPLETON GLOBAL BOND FUND

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY

c EIN-PN 01-0233346-027	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 15181

a Name of MTIA, CCT, PSA, or 103-12 IE: ACTIVE BOND FUND

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY

c EIN-PN 01-0233346-028	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2410

a Name of MTIA, CCT, PSA, or 103-12 IE: JOHN HANCOCK STABLE VAL

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY

c EIN-PN 01-0233346-029	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 471173

a Name of MTIA, CCT, PSA, or 103-12 IE: SELECT AA GROWTH

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY

c EIN-PN 01-0233346-030	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2249

a Name of MTIA, CCT, PSA, or 103-12 IE: SELECT AA BALANCED

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY

c EIN-PN 01-0233346-031	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2260

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

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b Name of plan sponsor	**c** EIN-PN

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b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

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

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

OMB No. 1210-0110

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
KRETEK INTERNATIONAL, INC. 401K PROFIT SHARING PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
KRETEK INTERNATIONAL, INC.

D Employer Identification Number (EIN)
77-0013041

Part I Asset and Liability Statement

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	273998
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	8634	45000
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	55914	56616
(9) Value of interest in common/collective trusts	1c(9)	2435596	0
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(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)	797110	3354906
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)	0	471173

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	3297254	4201693
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	3297254	4201693

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)	301109	
	(B) Participants	2a(1)(B)	772443	
	(C) Others (including rollovers)	2a(1)(C)	73232	
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		1146784
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)	2314	
	(F) Other	2b(1)(F)	625	
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		2939
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)	472	
	(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)		472
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)		
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		-35043
(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)		-15555
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		1099597
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	192511	
(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)		192511
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)	2640	
(3) Investment advisory and management fees	2i(3)	7	
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		2647
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		195158
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		904439
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)** [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: BPE&H **(2)** EIN: 95-4083514

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			500000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	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		X		
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
KRETEK INTERNATIONAL, INC. 401K PROFIT SHARING PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
KRETEK INTERNATIONAL, INC.

D Employer Identification Number (EIN)
77-0013041

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): 01-0233346

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

Kretek International, Inc.
401(K) Profit Sharing Plan

Financial Statements

December 31, 2015 and 2014

Kretek International, Inc. 401(K) Profit Sharing Plan

Contents

	Page
Independent accountant's audit report	1 - 2
Financial statements:	
Statements of net assets available for benefits	3
Statement of changes in net assets available for benefits	4
Notes to the financial statements	5 - 11
Supplemental information:	
Schedule H, line 4i – Schedule of assets held (at end of year)	12

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Independent Accountant's Audit Report

To the Trustee of
Kretek International, Inc. 401(K) Profit Sharing Plan
Moorpark, California

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Kretek International, Inc. 401(K) Profit Sharing Plan, which comprise the statements of net assets available for benefits of as of December 31, 2015 and 2014, 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

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

Auditor's Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in the notes to financial statements which was certified by John Hancock Life Insurance Company (U.S.A.), 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 John Hancock Life Insurance Company (U.S.A) as of and for the year ended December 31, 2015 and from Principal Trust Company as of and for the year ended December 31, 2014, that the information provided to the plan administrator by the custodian is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter discussed 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 and supplemental schedule.

Other Matter

We were engaged for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule Schedule H, Line 4i – schedule of assets held (at end of year), which is the responsibility of plan management, is presented for the purpose of additional analysis and is not a required part of the financial statements but is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. 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 trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

BPE+H

Woodland Hills, California
September 30, 2016

Statements of Net Assets Available for Benefits

ASSETS				
December 31,		**2015**		2014
Cash	**$**	**273,998**	$	-
Investments at fair value		**3,826,079**		3,030,326
Investment at contract value		**-**		202,380
Notes receivable from participants, at net realizable value		**56,616**		55,914
Employer contributions receivable		**45,000**		8,634
Total assets		**4,201,693**		3,297,254
LIABILITIES				
Total liabilities		**-**		-
Net assets available for benefits	**$**	**4,201,693**	$	3,297,254

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

Statement of Changes in Net Assets Available for Benefits

Year ended December 31,		2015
Additions to net assets:		
Interest and dividends	$	3,411
Participant contributions		772,443
Employer contributions		311,169
Forfeitures used to reduce employer contributions		(10,060)
Participant rollover contributions		73,232
Total increases		1,150,195
Deductions from net assets:		
Net depreciation in fair value of investments		35,043
Realized losses		15,555
Benefits paid to participants		192,511
Administrative expenses		2,647
Total deductions		245,756
Net increase in net assets available for benefits		904,439
Net assets available for benefits, beginning of year		3,297,254
Net assets available for benefits, end of year	$	4,201,693

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

Notes to Financial Statements

Description of plan:

General: Kretek International Inc. and Subsidiaries, (the Company) is the sponsor of the Kretek International, Inc. 401(K) Profit Sharing Plan (the Plan). The Plan is a defined contribution plan covering all full-time employees of the Company who have at least three months of service. They are subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). Participants should refer to the respective Plan agreement for a more complete description of each Plan's provisions.

Contributions: Participants may contribute up to 92% (including catch-up contributions) of pretax annual compensation up to the current statutory limits as defined by the Internal Revenue Code. Participants may also contribute amounts representing distributions from other qualified plans (rollover contributions). The Company has the option of making discretionary matching contributions but has not elected to do so.

Participant accounts: Participant accounts are credited with the participant's contribution, an allocation of plan earnings, and charged with an allocation of administrative expenses not paid for by the Company. Allocations are based on participant account balances. A participant is entitled to the vested portion of the participant's account.

Matching: The Plan provides for a discretionary employer match and includes a 3% safe harbor provision. In 2015, the Company matched 50% of each participant's contribution up to $5,000 resulting in a match of $311,169.

Vesting: Participants are immediately vested in their voluntary contributions. If the Company had a matching contribution it would be subject to the following vesting schedule. Vesting is based on years of continuous service as follows:

Years of service	Percentage
Less than 1	0%
1	20%
2	40%
3	60%
4	80%
5	100%

Notes receivable from participants: Participants may borrow from their account, a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50% of their vested account balance. Loan terms generally range from one to five years or up to 30 years for the purchase of a principal residence. Loans bear interest at prime plus 1%. Principal and interest is paid ratably through bi-monthly payroll deductions. The interest received during 2015 was $2,314.

Payment of benefits: On termination of employment a participant may receive a lump sum distribution or an annuity as described in the Plan agreement. Hardship distributions are allowed.

Notes to Financial Statements

Description of plan (continued):

Benefit claims payable: There were no amounts allocated to accounts of persons who have elected to withdraw from the Plan, but have not yet been paid at December 31, 2015.

At December 31, 2015, approximately $121,000 in plan benefits is applicable to persons who no longer participate in the Plan. Amounts allocated to accounts of persons who have withdrawn from participation in the Plan are included in the net assets available for benefits.

Forfeited accounts: Forfeitures (if any) may be used to reduce the plan expenses and then to reduce the employer discretionary contributions. There were $10,060 in forfeitures during the year ended December 31, 2015.

Plan expenses: To the extent that administrative expenses are not paid by the Plan sponsor, they may be reductions of plan assets allocated to participant accounts in accordance with their proportionate accumulated balance. Fees relating to distributions and participant loan processing are paid from the individual participant's account.

Benefit payments: Benefit payments are recorded when paid.

Summary of significant accounting policies:

Basis of accounting: The Plan's financial statements are prepared using the accrual method of accounting. Benefits are recorded when paid.

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

Plan termination: Although it has not expressed intent to do so, the Company has the right under the Plan to terminate it at any time subject to the provisions of ERISA. In the event of a plan termination, participants would become fully vested in their employer contributions, if any.

Tax status: The Plan utilizes a prototype plan document and relies on the opinion letter to the prototype document sponsor. The prototype document sponsor received an opinion letter on March 31, 2008 in which the Internal Revenue Service stated that the Plan as then designed, was in compliance with the applicable requirements of the Internal Revenue Code (IRC). The Plan has been amended since the prototype document sponsor received the opinion letter and is waiting for an updated determination letter. However, the Company believes that the Plan is currently being operated in compliance with the applicable requirements of the IRC and that, therefore, the Plan qualifies under Section 401(a) and the related trust is exempt as of December 31, 2015. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Notes to Financial Statements

Summary of significant accounting policies (continued):

Tax status (continued): Disclosure or accrual of uncertain tax positions is not required when it is more likely than not that the plan is entitled to the economic benefits resulting from the positions taken in income tax returns. The plan has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

Change in accounting principal: In July 2015, the FASB issued ASU 2015-12. Plan Accounting: Defined Benefit Pension Plan (Topic 960), Defined Contribution Pension Plans (Topic 962), and Health and Welfare Benefit Plans (Topic 965): Part (I) Fully Benefit-Responsive Investment Contracts, Part (II) Plan Investment Disclosures, Part (III) Measurement Date Practical Expedient. This three-part standard simplifies employee benefit plan reporting with respect to fully benefit-responsive investment contracts and plan investment disclosures, and provides for a measurement-date practical expedient. Parts I and II are effective for fiscal years beginning after December 15, 2015 and should be applied retrospectively, with early application permitted. Part III is effective for fiscal years beginning after December 15, 2015 and should be applied prospectively, with early application permitted.

Management has elected to adopt Parts I and II early. Accordingly, the amendments were retrospectively applied. Part III is not applicable to this Plan

Investment valuation and income recognition: The Plan's investments are reported at fair value (except for the fully benefit-responsive investment contract, which was reported at contract 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.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Fair value measurements: The Financial Accounting Standards Board issued Fair Value Measurements which establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

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

Notes to Financial Statements

Fair value Measurements (continued):

Level 2: Inputs to the valuation methodology include

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

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

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

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

Fair value of investments

Following is a description of the valuation methodologies used for assets measured at fair value at December 31, 2015 and 2014.

Pooled separate accounts consist primarily of mutual funds held and pooled by the custodian (John Hancock Life Insurance Company) and are valued at quoted market prices, which represent the net asset value (NAV) of shares held by the custodian at year end, allocated amongst members of the pool.

Mutual funds are stated at fair value as determined by quoted market prices, which represent the net asset value.

Common collective trusts are valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit-worthiness of the issuer.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair value. Furthermore, although the Plan believes the 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.

Notes to Financial Statements

Fair value of investments (continued):

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of:

December 31, 2015	Level 1	Level 2	Level 3	Total
Pooled separate accounts	$ -	$ 3,354,906	$ -	$ 3,354,906
Other	-	-	471,173	471,173
Total investments at fair value	$ -	$ 3,354,906	$ 471,173	$ 3,826,079

December 31, 2014	Level 1	Level 2	Level 3	Total
Mutual funds	$ 797,110	$ -	$ -	$ 797,110
Common collective trusts	-	2,233,216	-	2,233,216
Total investments at fair value	$ 797,110	$ 2,233,216	$ -	$ 3,030,326

Level 3 gains and losses:

The following table sets forth a summary of changes in the fair value of the plan's level 3 assets for:

Year-ended December 31,	2015
Balance, beginning of year	$ -
Investment gains and income	4,373
Purchases, sales, issuances and settlements (net)	466,800
Balance, end of year	$ 471,173

Notes to Financial Statements

Guaranteed investment contract with principal trust company:

At December 31, 2014, the Plan had a traditional fully benefit-responsive investment contract with Principal Trust Company (Principal). Principal maintained the contributions in a general account. The account was 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 Principal. 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. The guaranteed investment contract issuer was contractually obligated to repay the principal and a specified interest rate that was guaranteed to the Plan. There are no reserves against contract value for credit risk of the contract issuer or otherwise.

As described above, because the guaranteed investment 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 guaranteed investment contract. Contract value, as reported to the Plan by Principal, represented 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 investments at contract value.

The guaranteed investment contract did not permit the insurance company to terminate the agreement prior to the scheduled maturity date. The guaranteed investment contract had a 5% surrender charge for early withdrawal from the contract.

In 2015, the Plan transferred all assets out of Principal and to John Hancock and as a result, no longer has a guaranteed investment contract.

Information certified as complete and accurate by custodian (unaudited):

The following information in the accompanying financial statements and supplemental schedule was obtained from data that has been prepared and certified to as complete and accurate by John Hancock Life Insurance Company (U.S.A.) as of and for the year ended December 31, 2015 and by the Principal Trust Company as of December 31, 2014, the custodians of the Plan, and was not audited.

Information included in the statement of net assets available for benefits:

December 31,	**2015**	2014
Pooled separate accounts	$ **3,354,906**	$ -
Stable value fund	**471,173**	-
Mutual funds	**-**	797,110
Common collective trusts	**-**	2,233,216
Guaranteed investment contract	**-**	202,380

Notes to Financial Statements

Information certified as complete and accurate by custodian (unaudited) (continued):

Information included in the statement of changes in net assets available for benefits:

Year-ended December 31,		2015
Realized loss on investments	$	(15,555)
Net depreciation in fair value of investments		(35,043)
Interest and dividend income		3,411
Administration fees		(2,647)

Related party and party in interest transactions:

Certain plan investments are shares of mutual funds managed John Hancock Life Insurance Company (U.S.A.), the trustee of the Plan, and therefore, these transactions qualify as party in interest transactions. These party in interest transactions are exempt from the prohibited transaction rules of ERISA. Participant loans qualify as party in interest transactions and are also exempt from the prohibited transaction rules of ERISA (see related footnote for notes receivable from participants for additional information).

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.

Subsequent events:

The Plan evaluates events and transactions occurring subsequent to the date of the combined financial statements for matters requiring recognition or disclosure in the combined financial statements. The accompanying combined financial statements considered events through September 30, 2016, which is the date the financial statements were available for release.

Supplemental Information

KRETEK INTERNATIONAL, INC.

NAME OF PLAN: **KRETEK INTERNATIONAL, INC. 401(K) PROFIT SHARING PLAN**

EIN: **77-0013041**

PLAN NUMBER: **002**

Schedule H, line 4i - Schedule of Assets (Held at End of Year)

	(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
*		John Hancock	Cash account	$ -	$ 273,998
		T. Rowe Price	Pooled Separate Accounts T. Rowe Price Retirement 2045	-	635,581
		T. Rowe Price	Pooled Separate Accounts T. Rowe Price Retirement 2035	-	521,992
*		John Hancock	John Hancock Stable Value Fund	-	471,173
		T. Rowe Price	Pooled Separate Accounts T. Rowe Price Retirement 2030	-	353,527
		T. Rowe Price	Pooled Separate Accounts T. Rowe Price Retirement 2020	-	316,020
		T. Rowe Price	Pooled Separate Accounts T. Rowe Price Retirement 2040	-	234,629
		T. Rowe Price	Pooled Separate Accounts T. Rowe Price Retirement 2010	-	203,572
		T. Rowe Price	Pooled Separate Accounts T. Rowe Price Retirement 2025	-	187,909
		T. Rowe Price	Pooled Separate Accounts T. Rowe Price Retirement 2015	-	167,078
		T. Rowe Price	Pooled Separate Accounts T. Rowe Price Retirement 2050	-	144,509
		T. Rowe Price	Pooled Separate Accounts T. Rowe Price Health Sci	-	113,163
		T. Rowe Price	Pooled Separate Accounts T. Rowe Price Sci & Tech	-	85,249
*		John Hancock	Pooled Separate Accounts 500 Index Fund	-	84,291
		T. Rowe Price	Pooled Separate Accounts T. Rowe Price Retirement 2055	-	58,430
*		John Hancock	Pooled Separate Accounts Mid Cap Stock Fund	-	43,070
		Vanguard	Pooled Separate Accounts Vanguard Small Cap Value Index	-	31,221
*		John Hancock	Pooled Separate Accounts Real Est. Securities Fund	-	29,237
		Vanguard	Pooled Separate Accounts Vanguard Growth Index Fund	-	26,914
*		John Hancock	Pooled Separate Accounts Value Fund	-	21,339
		Franklin Templeton Investments	Pooled Separate Accounts Templeton Global Bond Fund	-	15,181
*		John Hancock	Pooled Separate Accounts New Perspective Fund	-	14,362
		Vanguard	Pooled Separate Accounts Vanguard Small Cap Grow Index	-	13,296
*		John Hancock	Pooled Separate Accounts Fundamental Large Cap Value	-	10,746
*		John Hancock	Pooled Separate Accounts Wisdom Tree MC Earnings ETF	-	9,113
		Investment Company of America	Pooled Separate Accounts Investment Company of America	-	8,352
*		John Hancock	Pooled Separate Accounts DFA U.S. Small Cap Fund	-	8,213
		Franklin Templeton Investments	Pooled Separate Accounts Templeton World	-	7,019
*		John Hancock	Pooled Separate Accounts Capital World Growth & Income	-	3,974
*		John Hancock	Pooled Separate Accounts Active Bond Fund	-	2,410
*		John Hancock	Pooled Separate Accounts Select AA Balanced	-	2,260
*		John Hancock	Pooled Separate Accounts Select AA Growth	-	2,249
		Subtotal			4,100,077
		Notes receivable from participants	Range of Interest Rates Range From 3.00% To 5.25%	-	56,616
		Total assets before employer contributions receivable			$ 4,156,693

* Party-in-interest

KRETEK INTERNATIONAL, INC.

NAME OF PLAN: **KRETEK INTERNATIONAL, INC. 401(K) PROFIT SHARING PLAN**

EIN: **77-0013041**

PLAN NUMBER: **002**

Schedule H, line 4i - Schedule of Assets (Held at End of Year)

	(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
*		John Hancock	Cash account	$ -	$ 273,998
		T. Rowe Price	Pooled Separate Accounts T. Rowe Price Retirement 2045	-	635,581
		T. Rowe Price	Pooled Separate Accounts T. Rowe Price Retirement 2035	-	521,992
*		John Hancock	John Hancock Stable Value Fund	-	471,173
		T. Rowe Price	Pooled Separate Accounts T. Rowe Price Retirement 2030	-	353,527
		T. Rowe Price	Pooled Separate Accounts T. Rowe Price Retirement 2020	-	316,020
		T. Rowe Price	Pooled Separate Accounts T. Rowe Price Retirement 2040	-	234,629
		T. Rowe Price	Pooled Separate Accounts T. Rowe Price Retirement 2010	-	203,572
		T. Rowe Price	Pooled Separate Accounts T. Rowe Price Retirement 2025	-	187,909
		T. Rowe Price	Pooled Separate Accounts T. Rowe Price Retirement 2015	-	167,078
		T. Rowe Price	Pooled Separate Accounts T. Rowe Price Retirement 2050	-	144,509
		T. Rowe Price	Pooled Separate Accounts T. Rowe Price Health Sci	-	113,163
		T. Rowe Price	Pooled Separate Accounts T. Rowe Price Sci & Tech	-	85,249
*		John Hancock	Pooled Separate Accounts 500 Index Fund	-	84,291
		T. Rowe Price	Pooled Separate Accounts T. Rowe Price Retirement 2055	-	58,430
*		John Hancock	Pooled Separate Accounts Mid Cap Stock Fund	-	43,070
		Vanguard	Pooled Separate Accounts Vanguard Small Cap Value Index	-	31,221
*		John Hancock	Pooled Separate Accounts Real Est. Securities Fund	-	29,237
		Vanguard	Pooled Separate Accounts Vanguard Growth Index Fund	-	26,914
*		John Hancock	Pooled Separate Accounts Value Fund	-	21,339
		Franklin Templeton Investments	Pooled Separate Accounts Templeton Global Bond Fund	-	15,181
*		John Hancock	Pooled Separate Accounts New Perspective Fund	-	14,362
		Vanguard	Pooled Separate Accounts Vanguard Small Cap Grow Index	-	13,296
*		John Hancock	Pooled Separate Accounts Fundamental Large Cap Value	-	10,746
*		John Hancock	Pooled Separate Accounts Wisdom Tree MC Earnings ETF	-	9,113
		Investment Company of America	Pooled Separate Accounts Investment Company of America	-	8,352
*		John Hancock	Pooled Separate Accounts DFA U.S. Small Cap Fund	-	8,213
		Franklin Templeton Investments	Pooled Separate Accounts Templeton World	-	7,019
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		Subtotal			4,100,077
		Notes receivable from participants	Range of Interest Rates Range From 3.00% To 5.25%	-	56,616
		Total assets before employer contributions receivable			$ 4,156,693

* Party-in-interest