# 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
OUR GANG SAVINGS INCENTIVE PLAN

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

**1c** Effective date of plan 05/31/1969

**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)
POLLY'S, INC.

173 E. FREEDOM AVENUE
ANAHEIM, CA 92801

**2b** Employer Identification Number (EIN)
95-3781318

**2c** Plan Sponsor's telephone number
714-459-0041

**2d** Business code (see instructions)
722511

**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 | SHARON LEE |
| | **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** | 850 |
| **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)** | 806 |
| **a(2)** | Total number of active participants at the end of the plan year | **6a(2)** | 733 |
| **b** | Retired or separated participants receiving benefits | **6b** | 1 |
| **c** | Other retired or separated participants entitled to future benefits | **6c** | 31 |
| **d** | Subtotal. Add lines **6a(2)**, **6b**, and **6c**. | **6d** | 765 |
| **e** | Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. | **6e** | 1 |
| **f** | Total. Add lines **6d** and **6e**. | **6f** | 766 |
| **g** | Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | 172 |
| **h** | Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 0 |
| **7** | Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | **7** | |

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

**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
OUR GANG SAVINGS INCENTIVE PLAN

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

**C** Plan sponsor's name as shown on line 2a of Form 5500
POLLY'S, INC.

**D** Employer Identification Number (EIN)
95-3781318

## 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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

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

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

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

| (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? |
|---|---|---|---|---|---|---|
| 37 60 64 65 | RECORDKEEPER | 6238 | Yes [X] No [ ] | Yes [X] No [ ] | 0 | Yes [X] No [ ] |

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

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

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

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

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

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

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

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

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

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

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

## Part I Service Provider Information (continued)

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

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| ALZGI NFJ DIV VL ADM - BOSTON FINA<br>330 W. 9TH STREET<br>KANSAS CITY, MO 66160 | 0.35% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| NORTHERN SM CAP VAL - NORTHERN TRU<br>36-1561860 | 0.40% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| PRU/J MID CAP GR A - PRUDENTIAL MU<br>22-3703799 | 0.35% |

## 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
OUR GANG SAVINGS INCENTIVE PLAN

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

**C** Plan sponsor's name as shown on line 2a of Form 5500
POLLY'S, INC.

**D** Employer Identification Number (EIN)
95-3781318

## 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 | 0 |
| **b** Receivables (less allowance for doubtful accounts): | | | |
| **(1)** Employer contributions | 1b(1) | 0 | 0 |
| **(2)** Participant contributions | 1b(2) | 0 | 0 |
| **(3)** Other | 1b(3) | 0 | 0 |
| **c** General investments: | | | |
| **(1)** Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | 2979290 | 2544777 |
| **(2)** U.S. Government securities | 1c(2) | 0 | 0 |
| **(3)** Corporate debt instruments (other than employer securities): | | | |
| **(A)** Preferred | 1c(3)(A) | 0 | 0 |
| **(B)** All other | 1c(3)(B) | 0 | 0 |
| **(4)** Corporate stocks (other than employer securities): | | | |
| **(A)** Preferred | 1c(4)(A) | 0 | 0 |
| **(B)** Common | 1c(4)(B) | 0 | 0 |
| **(5)** Partnership/joint venture interests | 1c(5) | 0 | 0 |
| **(6)** Real estate (other than employer real property) | 1c(6) | 0 | 0 |
| **(7)** Loans (other than to participants) | 1c(7) | 0 | 0 |
| **(8)** Participant loans | 1c(8) | 87959 | 67775 |
| **(9)** Value of interest in common/collective trusts | 1c(9) | 0 | 0 |
| **(10)** Value of interest in pooled separate accounts | 1c(10) | 0 | 0 |
| **(11)** Value of interest in master trust investment accounts | 1c(11) | 0 | 0 |
| **(12)** Value of interest in 103-12 investment entities | 1c(12) | 0 | 0 |
| **(13)** Value of interest in registered investment companies (e.g., mutual funds) | 1c(13) | 5827363 | 5550095 |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | | |
| **(15)** Other | 1c(15) | 0 | 0 |

| | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **1d** Employer-related investments: | | | |
| **(1)** Employer securities | 1d(1) | 0 | 0 |
| **(2)** Employer real property | 1d(2) | 0 | 0 |
| **e** Buildings and other property used in plan operation | 1e | 0 | 0 |
| **f** Total assets (add all amounts in lines 1a through 1e) | 1f | 8894612 | 8162647 |
| **Liabilities** | | | |
| **g** Benefit claims payable | 1g | 0 | 0 |
| **h** Operating payables | 1h | 0 | 0 |
| **i** Acquisition indebtedness | 1i | 0 | 0 |
| **j** Other liabilities | 1j | 0 | 0 |
| **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 | 8894612 | 8162647 |

## Part II Income and Expense Statement

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

| Income | | (a) Amount | (b) Total |
|---|---|---|---|
| **a Contributions:** | | | |
| **(1)** Received or receivable in cash from: **(A)** Employers | 2a(1)(A) | 0 | |
| **(B)** Participants | 2a(1)(B) | 231553 | |
| **(C)** Others (including rollovers) | 2a(1)(C) | 0 | |
| **(2)** Noncash contributions | 2a(2) | 0 | |
| **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 231553 |
| **b Earnings on investments:** | | | |
| **(1)** Interest: | | | |
| **(A)** Interest-bearing cash (including money market accounts and certificates of deposit) | 2b(1)(A) | 407 | |
| **(B)** U.S. Government securities | 2b(1)(B) | 0 | |
| **(C)** Corporate debt instruments | 2b(1)(C) | 0 | |
| **(D)** Loans (other than to participants) | 2b(1)(D) | 0 | |
| **(E)** Participant loans | 2b(1)(E) | 2601 | |
| **(F)** Other | 2b(1)(F) | 0 | |
| **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 3008 |
| **(2)** Dividends: **(A)** Preferred stock | 2b(2)(A) | 0 | |
| **(B)** Common stock | 2b(2)(B) | 0 | |
| **(C)** Registered investment company shares (e.g. mutual funds) | 2b(2)(C) | 261154 | |
| **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | 261154 |
| **(3)** Rents | 2b(3) | | 0 |
| **(4)** Net gain (loss) on sale of assets: **(A)** Aggregate proceeds | 2b(4)(A) | 0 | |
| **(B)** Aggregate carrying amount (see instructions) | 2b(4)(B) | 0 | |
| **(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) | 0 | |
| **(B)** Other | 2b(5)(B) | 0 | |
| **(C)** Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)** | 2b(5)(C) | | 0 |

| | | (a) Amount | (b) Total |
|---|---|---|---|
| (6) Net investment gain (loss) from common/collective trusts | 2b(6) | | 0 |
| (7) Net investment gain (loss) from pooled separate accounts | 2b(7) | | 0 |
| (8) Net investment gain (loss) from master trust investment accounts | 2b(8) | | 0 |
| (9) Net investment gain (loss) from 103-12 investment entities | 2b(9) | | 0 |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) | 2b(10) | | -293442 |
| c Other income | 2c | | 0 |
| d Total income. Add all **income** amounts in column (b) and enter total | 2d | | 202273 |
| **Expenses** | | | |
| e Benefit payment and payments to provide benefits: | | | |
| (1) Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 927876 | |
| (2) To insurance carriers for the provision of benefits | 2e(2) | 0 | |
| (3) Other | 2e(3) | 0 | |
| (4) Total benefit payments. Add lines **2e(1)** through **(3)** | 2e(4) | | 927876 |
| f Corrective distributions (see instructions) | 2f | | 0 |
| g Certain deemed distributions of participant loans (see instructions) | 2g | | 0 |
| h Interest expense | 2h | | 0 |
| i Administrative expenses: (1) Professional fees | 2i(1) | 0 | |
| (2) Contract administrator fees | 2i(2) | 0 | |
| (3) Investment advisory and management fees | 2i(3) | 23 | |
| (4) Other | 2i(4) | 6339 | |
| (5) Total administrative expenses. Add lines **2i(1)** through **(4)** | 2i(5) | | 6362 |
| j Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 934238 |
| **Net Income and Reconciliation** | | | |
| k Net income (loss). Subtract line **2j** from line **2d** | 2k | | -731965 |
| 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: MARTIN WERBELOW LLP **(2)** EIN: 95-1720829

**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 | | | 40462 |
| **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 | | | | |
| p | Were in-service distributions made during the plan year? | 4p | | | | |

**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
OUR GANG SAVINGS INCENTIVE PLAN

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

**C** Plan sponsor's name as shown on line 2a of Form 5500
POLLY'S, INC.

**D** Employer Identification Number (EIN)
95-3781318

## Part I Distributions

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

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

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

EIN(s): 04-6568107

**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 |

*Financial Statements*

# OUR GANG SAVINGS INCENTIVE PLAN

For the Two-Month Period Ended December 31, 2014
and the Twelve-Month Period Ended October 31, 2014

**CONTENTS**


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CERTIFIED PUBLIC ACCOUNTANTS
300 NO. LAKE AVE., STE. 930, PASADENA, CA 91101
TEL: (626) 577-1440 FAX: (626) 577-1082

# INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator
Our Gang Savings Incentive Plan

## Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Our Gang Savings Incentive Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2014 and October 31, 2014, and the related statements of changes in net assets available for benefits for the two-month and twelve-month periods then ended, and the related notes to the financial statements.

## Management's Responsibility for the Financial Statements

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

## Auditor's Responsibility

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

## Basis for Disclaimer of Opinion

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

**Disclaimer of Opinion**

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

**Other Matter**

The supplemental schedules: Schedule H, Line 4i – Schedule of Assets (Held at End of Year) and Schedule H, Line 4a – Schedule of Delinquent Participant Contributions are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are 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 schedules 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 schedules, 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.



October 10, 2016

**OUR GANG SAVINGS INCENTIVE PLAN**
**STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS**
**DECEMBER 31, 2014 AND OCTOBER 31, 2014**

| | December 31, 2014 | October 31, 2014 |
|---|---|---|
| **ASSETS** | | |
| **Investments at Fair Value** | $ 8,806,653 | $ 8,867,693 |
| **Notes Receivable from Participants** | 87,959 | 108,222 |
| **Total Assets** | 8,894,612 | 8,975,915 |
| **LIABILITIES** | | |
| **Liabilities** | - | - |
| **Net Assets Available for Benefits** | $ 8,894,612 | $ 8,975,915 |

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

**OUR GANG SAVINGS INCENTIVE PLAN**
**STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS**
**FOR THE TWO-MONTH PERIOD ENDED DECEMBER 31, 2014**
**AND THE TWELVE-MONTH PERIOD ENDED OCTOBER 31, 2014**

| | Two-Month Period Ended 12/31/14 | Twelve-Month Period Ended 10/31/14 |
|---|---|---|
| **Additions to Net Assets Attributed to:** | | |
| **Investment Income:** | | |
| Interest income | $ 50 | $ 314 |
| Dividend income | 163,233 | 246,912 |
| Net appreciation (depreciation) in fair value of investments | (107,372) | 237,091 |
| **Total Investment Income** | 55,911 | 484,317 |
| **Interest Income on Notes Receivable from Participants** | 654 | 2,802 |
| **Participant Contributions** | 40,106 | 225,012 |
| **Total Additions** | 96,671 | 712,131 |
| **Deductions from Net Assets Attributed to:** | | |
| Benefits paid to participants | 176,541 | 424,984 |
| Administrative expenses | 1,433 | 6,449 |
| **Total Deductions** | 177,974 | 431,433 |
| **Change in Net Assets Available for Benefits** | (81,303) | 280,698 |
| **Net Assets Available for Benefits, Beginning of Period** | 8,975,915 | 8,695,217 |
| **Net Assets Available for Benefits, End of Period** | $ 8,894,612 | $ 8,975,915 |

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

## Note 1 – Description of the Plan

The following description of Our Gang Savings Incentive Plan (the Plan) provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

### General

The Plan, as amended, is a defined contribution plan, which was established in May 1969 to provide retirement benefits to employees of Polly's, Inc. and its subsidiaries and affiliated entities (the Company) and is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). Employees are eligible to participate in the Plan with respect to making salary reduction contributions, receiving discretionary profit sharing contributions and receiving discretionary matching employer contributions if they have completed one year of service. Effective December 15, 2014, employees must attain age 18 and complete one calendar year of service to be eligible to participate in the Plan with respect to making salary reduction contributions, receiving discretionary profit sharing contributions and receiving discretionary matching employer contributions.

Fidelity Management Trust Company (Fidelity) is the trustee of all plan assets and Fidelity Investments is the recordkeeper of all plan assets.

Effective December 31, 2014, the Plan was amended to change its year-end from October 31 to December 31.

### Contributions

Participants can elect to contribute up to a certain percentage of their pre-tax annual compensation, as defined in the Plan. Participants who have attained age 50 or older by the end of the calendar year are eligible to make catch-up contributions. The Plan also allows for Roth elective deferrals. Participants may also contribute amounts representing distributions from other eligible retirement plans (rollover). Participants direct the investment of their contributions into various investment options offered by the Plan.

The Company's contributions to the Plan are discretionary and determined each year by the Company's Board of Directors. Such contributions can be made in the form of a matching or profit sharing contribution. There were no contributions made by the Company for the two-month period ended December 31, 2014 and the twelve-month period ended October 31, 2014.

### Participant Accounts

Each participant's account is credited with the participant's contributions as well as an allocation of plan earnings. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

### Notes Receivable from Participants

Participants may borrow a minimum of $1,000, up to 50% from their vested account balance, up to a maximum of $50,000. Loans are secured by the balance in the participant's account and bear interest at rates determined by the plan administrator to be commensurate with local prevailing rates. Principal and interest are applied ratably through payroll deductions.

**Note 1 – Description of the Plan** (continued)

**Payment of Benefits**
A participant's plan benefits will be distributed at retirement, death, disability, or termination of employment. The entire vested account balance will be paid in a single distribution or other distribution method that participants may elect.

**Vesting**
Participants are immediately vested in their voluntary contributions plus actual earnings on such contributions. Company discretionary matching contributions vest 20% after a participant's second year of service, 50% after a participant's third year of service, and are fully vested after a participant's fourth year of service. Company discretionary profit sharing contributions begin vesting at 20% per year after a participant's second year of service and are fully vested after six years of service.

**Forfeitures**
Forfeited non-vested accounts are retained in the Plan and may be used to pay Plan expenses or to reduce future Company contributions.

**Note 2 – Summary of Accounting Policies**

**Basis of Accounting**
The financial statements of the Plan are prepared under the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), except for benefits paid to participants, which are recorded when paid.

**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.

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

**Notes Receivable from Participants**
Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. No allowance for credit losses has been recorded as of December 31, 2014 or October 31, 2014. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

**Administrative Expenses**
The Company pays some of the administrative expenses of the Plan. Investment related expenses are included in net appreciation in fair value of investments.

**Note 2 – Summary of Accounting Policies** (continued)

**Use of Estimates**
The preparation of financial statements in conformity with U.S. GAAP 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.

**Note 3 – Information Prepared and Certified by Trustee**

The following information included in the accompanying financial statements was obtained from data that has been prepared and certified to be complete and accurate by Fidelity:

| | December 31, 2014 | October 31, 2014 |
|---|---|---|
| Investments at Fair Value | | |
| Shares of registered investment companies | $ 8,806,653 | $ 8,867,693 |
| Notes Receivable from Participants | 87,959 | 108,222 |

| | December 31, 2014 | October 31, 2014 |
|---|---|---|
| Investment Income | | |
| Interest income | $ 50 | $ 314 |
| Dividend income | 163,233 | 246,912 |
| Net appreciation (depreciation) in fair value of investments | (107,372) | 237,091 |
| Interest Income on Notes Receivable from Participants | 654 | 2,802 |

**Note 4 – Investments Representing 5% or More of Net Assets Available for Benefits**

Investments that represent 5% or more of the Plan's net assets at December 31, 2014, and October 31, 2014, are as follows:

| | December 31, 2014 |
|---|---|
| **Investments at Fair Value** | |
| Fidelity Retirement Money Market Fund | $ 2,979,290 |
| Fidelity Freedom 2015 Fund | 1,224,517 |
| Pru/J Mid Cap Gr A | 654,949 |
| Fidelity Freedom 2020 Fund | 589,632 |
| Fidelity Growth and Income | 566,303 |
| Fidelity 500 Index Premium Class Fund | 553,013 |
| Fidelity Government Income | 516,739 |

**Note 4 – Investments Representing 5% or More of Net Assets Available for Benefits** (continued)

| | October 31, 2014 |
|---|---|
| **Investments at Fair Value** | |
| Fidelity Retirement Money Market Fund | $ 3,043,379 |
| Fidelity Freedom 2015 Fund | 1,221,166 |
| Pru/J Mid Cap Gr A | 629,501 |
| Fidelity Freedom 2020 Fund | 584,792 |
| Fidelity Growth and Income | 554,902 |
| Fidelity Government Income | 552,393 |
| Spartan 500 Index ADV | 536,893 |

**Note 5 – Fair Value Measurements**

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted market prices in active markets for identical assets or liabilities (Level 1), and the lowest priority to unobservable inputs (Level 3). 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.

**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.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2014 and October 31, 2014.

*Shares of registered investment companies*: valued at the net asset value (NAV) of shares held by the Plan at year-end. The NAV is quoted at market prices in active markets for identical assets.

**Note 5 – Fair Value Measurements** (continued)

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

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

| | Assets at Fair Value as of December 31, 2014 | | | |
|---|---|---|---|---|
| | **Total** | **Level 1** | **Level 2** | **Level 3** |
| Shares of registered investment companies: | | | | |
| Money market fund/cash equivalent | $ 2,979,290 | $ 2,979,290 | $ - | $ - |
| Target date funds | 2,379,685 | 2,379,685 | - | - |
| Large growth & blend funds | 1,374,375 | 1,374,375 | - | - |
| Midcap growth & blend funds | 1,046,279 | 1,046,279 | - | - |
| Intermediate government funds | 516,739 | 516,739 | - | - |
| Foreign large blend funds | 331,556 | 331,556 | - | - |
| High yield bond funds | 140,496 | 140,496 | - | - |
| Other | 38,233 | 38,233 | - | - |
| **Total Assets at Fair Value** | $ 8,806,653 | $ 8,806,653 | $ - | $ - |

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of October 31, 2014:

| | Assets at Fair Value as of October 31, 2014 | | | |
|---|---|---|---|---|
| | **Total** | **Level 1** | **Level 2** | **Level 3** |
| Shares of registered investment companies: | | | | |
| Money market fund/cash equivalent | $ 3,043,379 | $ 3,043,379 | $ - | $ - |
| Target date funds | 2,373,484 | 2,373,484 | - | - |
| Large growth & blend funds | 1,340,290 | 1,340,290 | - | - |
| Midcap growth & blend funds | 1,011,928 | 1,011,928 | - | - |
| Intermediate government funds | 552,393 | 552,393 | - | - |
| Foreign large blend funds | 333,341 | 333,341 | - | - |
| High yield bond funds | 175,499 | 175,499 | - | - |
| Other | 37,379 | 37,379 | - | - |
| **Total Assets at Fair Value** | $ 8,867,693 | $ 8,867,693 | $ - | $ - |

## Note 6 – Party in Interest Transactions

Fidelity manages certain plan investments. Fidelity is the trustee as defined by the Plan and Fidelity Investments is the recordkeeper of the Plan and, therefore, these transactions qualify as party in interest transactions. These transactions are considered exempt under Section (3)(14) of ERISA.

## Note 7 – Nonexempt Party in Interest Transactions

Certain participant deferrals and loan repayments were not remitted to the Plan within the defined time period. Department of Labor (DOL) Regulation 2510.3-102 requires that employers remit the employee contributions and loan repayments to the Plan as soon as they can be reasonably segregated from the employer's general assets but not later than the fifteenth business day of the month following the month in which the participant contributions and loan repayments are withheld or received by the employer.

A party in interest engaging in a nonexempt transaction (a prohibited transaction) is subject to an excise tax of 15%. The tax is imposed even if the transaction was inadvertent or benefits the Plan. Further, additional taxes may be imposed if the transaction is not corrected in a specified period of time.

Nonexempt party in interest transactions are disclosed in the accompanying supplemental schedule of Schedule H, Line 4a – Schedule of Delinquent Participant Contributions.

## Note 8 – 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 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.

## Note 9 – Plan Termination

Although it has not expressed any intent to do so, the Company has the right to terminate the Plan subject to provisions of ERISA. In the event of termination of the Plan, the accounts of each participant shall become fully vested.

## Note 10 – Income Tax Status

The Plan obtained an opinion letter from the Internal Revenue Service on March 31, 2008. Although the Plan has been amended since receiving the determination letter, the plan administrator believes that the Plan is currently designed and being operated in compliance with the qualification requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

**Note 10 – Income Tax Status** (continued)

U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The plan administrator believes the tax positions taken will, more likely than not, be sustained under examination by the applicable tax authorities. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2011.

**Note 11 – Reconciliation of Financial Statements to Form 5500**

Interest-bearing cash (representing the Fidelity Retirement Money Market Fund) as reported on Form 5500, Schedule H, in the amounts of $2,979,290 and $3,043,379, as of December 31, 2014 and October 31, 2014, respectively, are included with investments in the financial statements.

**Note 12 – Subsequent Events**

The plan administrator has evaluated for subsequent events through October 10, 2016, the date the Plan's financial statements were available to be issued.

# SUPPLEMENTAL SCHEDULES

**OUR GANG SAVINGS INCENTIVE PLAN**
**SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)**
**DECEMBER 31, 2014**
**EIN: 95-3781318**
**Plan Number: 001**

| (a) | (b) | (c) | (d) | (e) |
|---|---|---|---|---|
| | **Identity of issue, borrower, lessor, or similar party** | **Description of investment including maturity date, rate of interest, collateral, par or maturity value** | **Cost**** | **Current Value** |
| * | Fidelity Retirement Government Money Market II Portfolio Fund | Mutual fund | | $ 2,979,290 |
| * | Fidelity Freedom 2015 Fund | Mutual fund | | 1,224,517 |
| | Prudential Jennison Mid Cap Growth A Fund | Mutual fund | | 654,949 |
| * | Fidelity Freedom 2020 Fund | Mutual fund | | 589,632 |
| * | Fidelity Growth & Income Fund | Mutual fund | | 566,303 |
| * | Fidelity 500 Index Premium Class Fund | Mutual fund | | 553,013 |
| * | Fidelity Government Income Fund | Mutual fund | | 516,739 |
| * | Fidelity Low Priced Stock Fund | Mutual fund | | 391,331 |
| * | Fidelity Diversified International Fund | Mutual fund | | 329,063 |
| * | Fidelity Dividend Growth Fund | Mutual fund | | 225,737 |
| * | Fidelity Freedom 2035 Fund | Mutual fund | | 161,691 |
| * | Fidelity Capital & Income Fund | Mutual fund | | 140,496 |
| * | Fidelity Freedom 2025 Fund | Mutual fund | | 108,470 |
| * | Fidelity Freedom 2030 Fund | Mutual fund | | 95,099 |
| * | Fidelity Freedom 2040 Fund | Mutual fund | | 94,994 |
| * | Fidelity Freedom 2010 Fund | Mutual fund | | 41,386 |
| * | Fidelity Freedom Income Fund | Mutual fund | | 32,879 |
| * | Fidelity Freedom 2005 Fund | Mutual fund | | 27,792 |
| * | Fidelity Value Discovery Fund | Mutual fund | | 23,345 |
| * | Fidelity Freedom 2045 Fund | Mutual fund | | 18,414 |
| * | Fidelity Freedom 2050 Fund | Mutual fund | | 17,301 |
| * | Fidelity Independence Fund | Mutual fund | | 5,977 |
| | Northern Small Cap Value Fund | Mutual fund | | 5,354 |
| | AllianzGI NFJ Dividend Value Institutional Fund | Mutual fund | | 2,493 |
| * | Fidelity Freedom 2055 Fund | Mutual fund | | 389 |
| | Participant loans | Varying maturity dates, interest rate range: 3.25% to 7.00% per annum | -0- | $ 87,959 |

* *Party-in-interest*
** *Cost information omitted for all participant-directed funds*

See independent auditor's report.

**OUR GANG SAVINGS INCENTIVE PLAN**
**SCHEDULE H, LINE 4a - SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS**
**DECEMBER 31, 2014**
**EIN: 95-3781318**
**Plan Number: 001**

| Participant Contributions Transferred Late to Plan | Total that Constitutes Nonexempt Prohibited Transactions | | | Total Fully Corrected Under VFCP and PTE 2002-51 |
|---|---|---|---|---|
| | Contributions Not Corrected | Contributions Corrected Outside VFCP | Contributions Pending Correction in VFCP | |
| Check here if late participant loan repayments are included: ☑ | $ 40,462 | $ - | $ - | $ - |
| | $ 40,462 | $ - | $ - | $ - |

*Financial Statements*

# OUR GANG SAVINGS INCENTIVE PLAN

For the Twelve-Month Period Ended December 31, 2015
and the Two-Month Period Ended December 31, 2014

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# INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator
Our Gang Savings Incentive Plan

## Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Our Gang Savings Incentive Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2015 and 2014, and the related statements of changes in net assets available for benefits for the twelve-month and two-month periods then ended, and the related notes to the financial statements.

## Management's Responsibility for the Financial Statements

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

## Auditor's Responsibility

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

## Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee, as of December 31, 2015 and 2014, that the information provided to the plan administrator by the trustee is complete and accurate.

**Disclaimer of Opinion**

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

**Other Matter**

The supplemental schedules: Schedule H, Line 4i – Schedule of Assets (Held at End of Year) and Schedule H, Line 4a – Schedule of Delinquent Participant Contributions are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are 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 schedules referred to above.

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

The form and content of the information included in the financial statements and supplemental schedules, 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.



October 10, 2016

**OUR GANG SAVINGS INCENTIVE PLAN**
**STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS**
**DECEMBER 31, 2015 AND 2014**

| | 2015 | 2014 |
|---|---|---|
| **ASSETS** | | |
| **Investments at Fair Value** | $ 8,094,872 | $ 8,806,653 |
| **Notes Receivable from Participants** | 67,775 | 87,959 |
| **Total Assets** | 8,162,647 | 8,894,612 |
| **LIABILITIES** | | |
| **Liabilities** | - | - |
| **Net Assets Available for Benefits** | $ 8,162,647 | $ 8,894,612 |

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

**OUR GANG SAVINGS INCENTIVE PLAN**
**STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS**
**FOR THE TWELVE-MONTH PERIOD ENDED DECEMBER 31, 2015**
**AND THE TWO-MONTH PERIOD ENDED DECEMBER 31, 2014**

| | Twelve-Month Period Ended 12/31/15 | Two-Month Period Ended 12/31/14 |
|---|---|---|
| **Additions to Net Assets Attributed to:** | | |
| **Investment Income** | | |
| Interest income | $ 407 | $ 50 |
| Dividend income | 261,154 | 163,233 |
| Net depreciation in fair value of investments | (293,442) | (107,372) |
| **Total Investment Income (Loss)** | (31,881) | 55,911 |
| **Interest Income on Notes Receivable from Participants** | 2,601 | 654 |
| **Participant Contributions** | 231,553 | 40,106 |
| **Total Additions** | 202,273 | 96,671 |
| **Deductions from Net Assets Attributed to:** | | |
| Benefits paid to participants | 927,876 | 176,541 |
| Administrative expenses | 6,362 | 1,433 |
| **Total Deductions** | 934,238 | 177,974 |
| **Change in Net Assets Available for Benefits** | (731,965) | (81,303) |
| **Net Assets Available for Benefits, Beginning of Period** | 8,894,612 | 8,975,915 |
| **Net Assets Available for Benefits, End of Period** | $ 8,162,647 | $ 8,894,612 |

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

## Note 1 – Description of the Plan

The following description of Our Gang Savings Incentive Plan (the Plan) provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

### General

The Plan, as amended, is a defined contribution plan, which was established in May 1969 to provide retirement benefits to employees of Polly's, Inc. and its subsidiaries and affiliated entities (the Company) and is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). Employees are eligible to participate in the Plan with respect to making salary reduction contributions, receiving discretionary profit sharing contributions and receiving discretionary matching employer contributions if they have completed one year of service. Effective December 15, 2014, employees must attain age 18 and complete one year of service to be eligible to participate in the Plan with respect to making salary reduction contributions, receiving discretionary profit sharing contributions and receiving discretionary matching employer contributions.

Fidelity Management Trust Company (Fidelity) is the trustee of all plan assets and Fidelity Investments is the recordkeeper of all plan assets.

Effective December 31, 2014, the Plan was amended to change its year end from October 31 to December 31.

### Contributions

Participants can elect to contribute up to a certain percentage of their pre-tax annual compensation, as defined in the Plan. Participants who have attained age 50 or older by the end of the calendar year are eligible to make catch-up contributions. The Plan also allows for Roth elective deferrals. Participants may also contribute amounts representing distributions from other eligible retirement plans (rollover). Participants direct the investment of their contributions into various investment options offered by the Plan.

The Company's contributions to the Plan are discretionary and determined each year by the Company's Board of Directors. Such contributions can be made in the form of a matching or profit sharing contribution. There were no contributions made by the Company for the twelve-month period ended December 31, 2015 and the two-month period ended December 31, 2014.

### Participant Accounts

Each participant's account is credited with the participant's contributions as well as an allocation of plan earnings. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

### Notes Receivable from Participants

Participants may borrow a minimum of $1,000, up to 50% from their vested account balance, up to a maximum of $50,000. Loans are secured by the balance in the participant's account and bear interest at rates determined by the plan administrator to be commensurate with local prevailing rates. Principal and interest are applied ratably through payroll deductions.

**Note 1 – Description of the Plan** (continued)

**Payment of Benefits**
A participant's plan benefits will be distributed at retirement, death, disability, or termination of employment. The entire vested account balance will be paid in a single distribution or other distribution method that participants may elect.

**Vesting**
Participants are immediately vested in their voluntary contributions plus actual earnings on such contributions. Company discretionary matching contributions begin vesting after a participant's second year of service and are fully vested after four years of service. Company discretionary profit sharing contributions vest at 20% per year after a participant's second year of service and are fully vested after six years of credited service.

**Forfeitures**
Forfeited non-vested accounts are retained in the Plan and used first to pay Plan expenses then to reduce future Company contributions.

**Note 2 – Summary of Accounting Policies**

**Basis of Accounting**
The financial statements of the Plan are prepared under the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), except for benefits paid to participants, which are recorded when paid.

**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.

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

**Notes Receivable from Participants**
Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. No allowance for credit losses has been recorded as of December 31, 2015 or 2014. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

**Administrative Expenses**
The Company pays some of the administrative expenses of the Plan. Investment related expenses are included in net appreciation in fair value of investments.

**Note 2 – Summary of Accounting Policies** (continued)

**Use of Estimates**
The preparation of financial statements in conformity with U.S. GAAP 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.

**Note 3 – Information Prepared and Certified by Trustee**

The following information included in the accompanying financial statements was obtained from data that has been prepared and certified to be complete and accurate by Fidelity:

| | 2015 | 2014 |
|---|---|---|
| Investments at Fair Value | | |
| Shares of registered investment companies | $ 8,094,872 | $ 8,806,653 |
| Notes Receivable from Participants | 67,775 | 87,959 |

| | 2015 | 2014 |
|---|---|---|
| Investment Income | | |
| Interest income | $ 407 | $ 50 |
| Dividend income | 261,154 | 163,233 |
| Net depreciation in fair value of investments | (293,444) | (107,372) |
| Interest Income on Notes Receivable from Participants | 2,601 | 654 |

**Note 4 – Investments Representing 5% or More of Net Assets Available for Benefits**

Investments that represent 5% or more of the Plan's net assets at December 31, 2015 and 2014, are as follows:

| | 2015 |
|---|---|
| **Investments at Fair Value** | |
| Fidelity Retirement Money Market Fund | $ 2,544,777 |
| Fidelity Freedom 2015 Fund | 1,168,494 |
| Fidelity Freedom 2020 Fund | 665,361 |
| Pru/J Mid Cap Gr A | 528,242 |
| Fidelity Growth and Income | 514,735 |
| Fidelity 500 Index Premium Class Fund | 475,833 |

**Note 4 – Investments Representing 5% or More of Net Assets Available for Benefits** (continued)

| | 2014 |
|---|---|
| **Investments at Fair Value** | |
| Fidelity Retirement Money Market Fund | $ 2,979,290 |
| Fidelity Freedom 2015 Fund | 1,224,517 |
| Pru/J Mid Cap Gr A | 654,949 |
| Fidelity Freedom 2020 Fund | 589,632 |
| Fidelity Growth and Income | 566,303 |
| Fidelity 500 Index Premium Class Fund | 553,013 |
| Fidelity Government Income | 516,739 |

**Note 5 – Fair Value Measurements**

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted market prices in active markets for identical assets or liabilities (Level 1), and the lowest priority to unobservable inputs (Level 3). 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.

**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.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2015 and 2014.

*Shares of registered investment companies*: valued at the net asset value (NAV) of shares held by the Plan at year-end. The NAV is quoted at market prices in active markets for identical assets.

**Note 5 – Fair Value Measurements** (continued)

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

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2015:

| | Assets at Fair Value as of December 31, 2015 | | | |
|---|---|---|---|---|
| | **Total** | **Level 1** | **Level 2** | **Level 3** |
| Shares of registered investment companies: | | | | |
| Money market fund/cash equivalent | $ 2,544,777 | $ 2,544,777 | $ - | $ - |
| Target date funds | 2,607,144 | 2,607,144 | - | - |
| Large growth & blend funds | 1,217,914 | 1,217,914 | - | - |
| Midcap growth & blend funds | 876,532 | 876,532 | - | - |
| Intermediate government funds | 380,325 | 380,325 | - | - |
| Foreign large blend funds | 254,725 | 254,725 | - | - |
| High yield bond funds | 167,140 | 167,140 | - | - |
| Other | 46,315 | 46,315 | - | - |
| **Total Assets at Fair Value** | $ 8,094,872 | $ 8,094,872 | $ - | $ - |

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

| | Assets at Fair Value as of December 31, 2014 | | | |
|---|---|---|---|---|
| | **Total** | **Level 1** | **Level 2** | **Level 3** |
| Shares of registered investment companies: | | | | |
| Money market fund/cash equivalent | $ 2,979,290 | $ 2,979,290 | $ - | $ - |
| Target date funds | 2,379,685 | 2,379,685 | - | - |
| Large growth & blend funds | 1,374,375 | 1,374,375 | - | - |
| Midcap growth & blend funds | 1,046,279 | 1,046,279 | - | - |
| Intermediate government funds | 516,739 | 516,739 | - | - |
| Foreign large blend funds | 331,556 | 331,556 | - | - |
| High yield bond funds | 140,496 | 140,496 | - | - |
| Other | 38,233 | 38,233 | - | - |
| **Total Assets at Fair Value** | $ 8,806,653 | $ 8,806,653 | $ - | $ - |

## Note 6 – Party in Interest Transactions

Fidelity manages certain Plan investments. Fidelity is the trustee as defined by the Plan and Fidelity Investments is the recordkeeper of the Plan and, therefore, these transactions qualify as party in interest transactions. These transactions are considered exempt under Section (3)(14) of ERISA.

## Note 7 – Nonexempt Party in Interest Transactions

Certain participant deferrals and loan repayments were not remitted to the Plan within the defined time period. Department of Labor (DOL) Regulation 2510.3-102 requires that employers remit the employee contributions and loan repayments to the Plan as soon as they can be reasonably segregated from the employer's general assets, but not later than the fifteenth business day of the month following the month in which the participant contributions and loan repayments are withheld or received by the employer.

A party in interest engaging in a nonexempt transaction (a prohibited transaction) is subject to an excise tax of 15%. The tax is imposed even if the transaction was inadvertent or benefits the Plan. Further, additional taxes may be imposed if the transaction is not corrected in a specified period of time.

Nonexempt party in interest transactions are disclosed in the accompanying supplemental schedule of Schedule H, Line 4a – Schedule of Delinquent Participant Contributions.

## Note 8 – 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 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.

## Note 9 – Plan Termination

Although it has not expressed any intent to do so, the Company has the right to terminate the Plan subject to provisions of ERISA. In the event of termination of the Plan, the accounts of each participant shall become fully vested.

## Note 10 – Income Tax Status

The Plan obtained an opinion letter from the Internal Revenue Service on March 31, 2008. The plan administrator believes that the Plan is currently designed and being operated in compliance with the qualification requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

**Note 10 – Income Tax Status** (continued)

U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The plan administrator believes the tax positions taken will, more likely than not, be sustained under examination by the applicable tax authorities. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2012.

**Note 11 – Reconciliation of Financial Statements to Form 5500**

Interest-bearing cash (representing the Fidelity Retirement Money Market Fund) as reported on Form 5500, Schedule H, in the amounts of $2,544,777 and $2,979,290, as of December 31, 2015 and 2014, respectively, are included with investments in the financial statements.

**Note 12 – Subsequent Events**

The plan administrator has evaluated for subsequent events through October 10, 2016, the date the Plan's financial statements were available to be issued. No subsequent events required disclosure were noted.

# SUPPLEMENTAL SCHEDULES

**OUR GANG SAVINGS INCENTIVE PLAN**
**SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)**
**DECEMBER 31, 2015**
**EIN: 95-3781318**
**Plan Number: 001**

| (a) | (b) | (c) | (d) | (e) |
|---|---|---|---|---|
| | **Identity of issue, borrower, lessor, or similar party** | **Description of investment including maturity date, rate of interest, collateral, par or maturity value** | **Cost**** | **Current Value** |
| * | Fidelity Retirement Government Money Market II Portfolio Fund | Mutual fund | | $ 2,544,777 |
| * | Fidelity Freedom 2015 Fund | Mutual fund | | 1,168,494 |
| * | Fidelity Freedom 2020 Fund | Mutual fund | | 665,361 |
| * | Prudential Jennison Mid Cap Growth A Fund | Mutual fund | | 528,242 |
| * | Fidelity Growth & Income Fund | Mutual fund | | 514,735 |
| * | Fidelity 500 Index Premium Class Fund | Mutual fund | | 475,833 |
| * | Fidelity Government Income Fund | Mutual fund | | 380,325 |
| * | Fidelity Low Priced Stock Fund | Mutual fund | | 348,291 |
| * | Fidelity Freedom 2025 Fund | Mutual fund | | 313,986 |
| * | Fidelity Diversified International Fund | Mutual fund | | 254,725 |
| * | Fidelity Dividend Growth Fund | Mutual fund | | 205,148 |
| * | Fidelity Freedom 2035 Fund | Mutual fund | | 169,726 |
| * | Fidelity Capital & Income Fund | Mutual fund | | 167,140 |
| * | Fidelity Freedom 2030 Fund | Mutual fund | | 118,241 |
| * | Fidelity Freedom 2040 Fund | Mutual fund | | 69,607 |
| * | Fidelity Freedom 2010 Fund | Mutual fund | | 36,779 |
| * | Fidelity Freedom Income Fund | Mutual fund | | 35,432 |
| | Fidelity Freedom 2005 Fund | Mutual fund | | 27,969 |
| | Fidelity Freedom 2045 Fund | Mutual fund | | 20,135 |
| | Fidelity Value Discovery Fund | Mutual fund | | 16,682 |
| * | Fidelity Freedom 2050 Fund | Mutual fund | | 15,888 |
| * | Northern Small Cap Value Fund | Mutual fund | | 6,838 |
| * | Fidelity Independence Fund | Mutual fund | | 5,517 |
| * | Fidelity US Bond Index Premium Class Fund | Mutual fund | | 3,233 |
| * | Fidelity Extended Market Index Premium Class Fund | Mutual fund | | 695 |
| * | Fidelity Freedom 2055 Fund | Mutual fund | | 640 |
| * | Fidelity Freedom 2060 Fund | Mutual fund | | 317 |
| * | Fidelity International Index Premium Class Fund | Mutual fund | | 116 |
| | Participant loans | Varying maturity dates, interest rate range: 3.25% to 5.00% per annum | -0- | $ 67,775 |

* *Indicates a party in interest*

** *Cost information omitted for all participant-directed funds*

See independent auditor's report.

**OUR GANG SAVINGS INCENTIVE PLAN**
**SCHEDULE H, LINE 4a - SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS**
**DECEMBER 31, 2015**
**EIN: 95-3781318**
**Plan Number: 001**

| Participant Contributions Transferred Late to Plan | Total that Constitutes Nonexempt Prohibited Transactions | | | Total Fully Corrected Under VFCP and PTE 2002-51 |
|---|---|---|---|---|
| | Contributions Not Corrected | Contributions Corrected Outside VFCP | Contributions Pending Correction in VFCP | |
| Check here if late participant loan repayments are included: ☑ | $ - | $ 40,462 | $ - | $ - |
| | $ - | $ 40,462 | $ - | $ - |

See independent auditor's report.

*Financial Statements*

# OUR GANG SAVINGS INCENTIVE PLAN

For the Twelve-Month Period Ended December 31, 2015
and the Two-Month Period Ended December 31, 2014

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# INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator
Our Gang Savings Incentive Plan

## Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Our Gang Savings Incentive Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2015 and 2014, and the related statements of changes in net assets available for benefits for the twelve-month and two-month periods then ended, and the related notes to the financial statements.

## Management's Responsibility for the Financial Statements

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

## Auditor's Responsibility

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

## Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee, as of December 31, 2015 and 2014, that the information provided to the plan administrator by the trustee is complete and accurate.

**Disclaimer of Opinion**

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

**Other Matter**

The supplemental schedules: Schedule H, Line 4i – Schedule of Assets (Held at End of Year) and Schedule H, Line 4a – Schedule of Delinquent Participant Contributions are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are 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 schedules referred to above.

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

The form and content of the information included in the financial statements and supplemental schedules, 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.



October 10, 2016

**OUR GANG SAVINGS INCENTIVE PLAN**
**STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS**
**DECEMBER 31, 2015 AND 2014**

| | 2015 | 2014 |
|---|---|---|
| **ASSETS** | | |
| **Investments at Fair Value** | $ 8,094,872 | $ 8,806,653 |
| **Notes Receivable from Participants** | 67,775 | 87,959 |
| **Total Assets** | 8,162,647 | 8,894,612 |
| **LIABILITIES** | | |
| **Liabilities** | - | - |
| **Net Assets Available for Benefits** | $ 8,162,647 | $ 8,894,612 |

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

**OUR GANG SAVINGS INCENTIVE PLAN**
**STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS**
**FOR THE TWELVE-MONTH PERIOD ENDED DECEMBER 31, 2015**
**AND THE TWO-MONTH PERIOD ENDED DECEMBER 31, 2014**

| | Twelve-Month Period Ended 12/31/15 | Two-Month Period Ended 12/31/14 |
|---|---|---|
| **Additions to Net Assets Attributed to:** | | |
| **Investment Income** | | |
| Interest income | $ 407 | $ 50 |
| Dividend income | 261,154 | 163,233 |
| Net depreciation in fair value of investments | (293,442) | (107,372) |
| **Total Investment Income (Loss)** | (31,881) | 55,911 |
| **Interest Income on Notes Receivable from Participants** | 2,601 | 654 |
| **Participant Contributions** | 231,553 | 40,106 |
| **Total Additions** | 202,273 | 96,671 |
| **Deductions from Net Assets Attributed to:** | | |
| Benefits paid to participants | 927,876 | 176,541 |
| Administrative expenses | 6,362 | 1,433 |
| **Total Deductions** | 934,238 | 177,974 |
| **Change in Net Assets Available for Benefits** | (731,965) | (81,303) |
| **Net Assets Available for Benefits, Beginning of Period** | 8,894,612 | 8,975,915 |
| **Net Assets Available for Benefits, End of Period** | $ 8,162,647 | $ 8,894,612 |

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

## Note 1 – Description of the Plan

The following description of Our Gang Savings Incentive Plan (the Plan) provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

### General

The Plan, as amended, is a defined contribution plan, which was established in May 1969 to provide retirement benefits to employees of Polly's, Inc. and its subsidiaries and affiliated entities (the Company) and is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). Employees are eligible to participate in the Plan with respect to making salary reduction contributions, receiving discretionary profit sharing contributions and receiving discretionary matching employer contributions if they have completed one year of service. Effective December 15, 2014, employees must attain age 18 and complete one year of service to be eligible to participate in the Plan with respect to making salary reduction contributions, receiving discretionary profit sharing contributions and receiving discretionary matching employer contributions.

Fidelity Management Trust Company (Fidelity) is the trustee of all plan assets and Fidelity Investments is the recordkeeper of all plan assets.

Effective December 31, 2014, the Plan was amended to change its year end from October 31 to December 31.

### Contributions

Participants can elect to contribute up to a certain percentage of their pre-tax annual compensation, as defined in the Plan. Participants who have attained age 50 or older by the end of the calendar year are eligible to make catch-up contributions. The Plan also allows for Roth elective deferrals. Participants may also contribute amounts representing distributions from other eligible retirement plans (rollover). Participants direct the investment of their contributions into various investment options offered by the Plan.

The Company's contributions to the Plan are discretionary and determined each year by the Company's Board of Directors. Such contributions can be made in the form of a matching or profit sharing contribution. There were no contributions made by the Company for the twelve-month period ended December 31, 2015 and the two-month period ended December 31, 2014.

### Participant Accounts

Each participant's account is credited with the participant's contributions as well as an allocation of plan earnings. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

### Notes Receivable from Participants

Participants may borrow a minimum of $1,000, up to 50% from their vested account balance, up to a maximum of $50,000. Loans are secured by the balance in the participant's account and bear interest at rates determined by the plan administrator to be commensurate with local prevailing rates. Principal and interest are applied ratably through payroll deductions.

**Note 1 – Description of the Plan** (continued)

**Payment of Benefits**
A participant's plan benefits will be distributed at retirement, death, disability, or termination of employment. The entire vested account balance will be paid in a single distribution or other distribution method that participants may elect.

**Vesting**
Participants are immediately vested in their voluntary contributions plus actual earnings on such contributions. Company discretionary matching contributions begin vesting after a participant's second year of service and are fully vested after four years of service. Company discretionary profit sharing contributions vest at 20% per year after a participant's second year of service and are fully vested after six years of credited service.

**Forfeitures**
Forfeited non-vested accounts are retained in the Plan and used first to pay Plan expenses then to reduce future Company contributions.

**Note 2 – Summary of Accounting Policies**

**Basis of Accounting**
The financial statements of the Plan are prepared under the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), except for benefits paid to participants, which are recorded when paid.

**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.

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

**Notes Receivable from Participants**
Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. No allowance for credit losses has been recorded as of December 31, 2015 or 2014. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

**Administrative Expenses**
The Company pays some of the administrative expenses of the Plan. Investment related expenses are included in net appreciation in fair value of investments.

**Note 2 – Summary of Accounting Policies** (continued)

**Use of Estimates**
The preparation of financial statements in conformity with U.S. GAAP 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.

**Note 3 – Information Prepared and Certified by Trustee**

The following information included in the accompanying financial statements was obtained from data that has been prepared and certified to be complete and accurate by Fidelity:

| | 2015 | 2014 |
|---|---|---|
| Investments at Fair Value | | |
| Shares of registered investment companies | $ 8,094,872 | $ 8,806,653 |
| Notes Receivable from Participants | 67,775 | 87,959 |

| | 2015 | 2014 |
|---|---|---|
| Investment Income | | |
| Interest income | $ 407 | $ 50 |
| Dividend income | 261,154 | 163,233 |
| Net depreciation in fair value of investments | (293,444) | (107,372) |
| Interest Income on Notes Receivable from Participants | 2,601 | 654 |

**Note 4 – Investments Representing 5% or More of Net Assets Available for Benefits**

Investments that represent 5% or more of the Plan's net assets at December 31, 2015 and 2014, are as follows:

| | 2015 |
|---|---|
| **Investments at Fair Value** | |
| Fidelity Retirement Money Market Fund | $ 2,544,777 |
| Fidelity Freedom 2015 Fund | 1,168,494 |
| Fidelity Freedom 2020 Fund | 665,361 |
| Pru/J Mid Cap Gr A | 528,242 |
| Fidelity Growth and Income | 514,735 |
| Fidelity 500 Index Premium Class Fund | 475,833 |

**Note 4 – Investments Representing 5% or More of Net Assets Available for Benefits** (continued)

| | 2014 |
|---|---|
| **Investments at Fair Value** | |
| Fidelity Retirement Money Market Fund | $ 2,979,290 |
| Fidelity Freedom 2015 Fund | 1,224,517 |
| Pru/J Mid Cap Gr A | 654,949 |
| Fidelity Freedom 2020 Fund | 589,632 |
| Fidelity Growth and Income | 566,303 |
| Fidelity 500 Index Premium Class Fund | 553,013 |
| Fidelity Government Income | 516,739 |

**Note 5 – Fair Value Measurements**

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted market prices in active markets for identical assets or liabilities (Level 1), and the lowest priority to unobservable inputs (Level 3). 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.

**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.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2015 and 2014.

*Shares of registered investment companies*: valued at the net asset value (NAV) of shares held by the Plan at year-end. The NAV is quoted at market prices in active markets for identical assets.

**Note 5 – Fair Value Measurements** (continued)

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

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2015:

| | Assets at Fair Value as of December 31, 2015 | | | |
|---|---|---|---|---|
| | **Total** | **Level 1** | **Level 2** | **Level 3** |
| Shares of registered investment companies: | | | | |
| Money market fund/cash equivalent | $ 2,544,777 | $ 2,544,777 | $ - | $ - |
| Target date funds | 2,607,144 | 2,607,144 | - | - |
| Large growth & blend funds | 1,217,914 | 1,217,914 | - | - |
| Midcap growth & blend funds | 876,532 | 876,532 | - | - |
| Intermediate government funds | 380,325 | 380,325 | - | - |
| Foreign large blend funds | 254,725 | 254,725 | - | - |
| High yield bond funds | 167,140 | 167,140 | - | - |
| Other | 46,315 | 46,315 | - | - |
| **Total Assets at Fair Value** | $ 8,094,872 | $ 8,094,872 | $ - | $ - |

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

| | Assets at Fair Value as of December 31, 2014 | | | |
|---|---|---|---|---|
| | **Total** | **Level 1** | **Level 2** | **Level 3** |
| Shares of registered investment companies: | | | | |
| Money market fund/cash equivalent | $ 2,979,290 | $ 2,979,290 | $ - | $ - |
| Target date funds | 2,379,685 | 2,379,685 | - | - |
| Large growth & blend funds | 1,374,375 | 1,374,375 | - | - |
| Midcap growth & blend funds | 1,046,279 | 1,046,279 | - | - |
| Intermediate government funds | 516,739 | 516,739 | - | - |
| Foreign large blend funds | 331,556 | 331,556 | - | - |
| High yield bond funds | 140,496 | 140,496 | - | - |
| Other | 38,233 | 38,233 | - | - |
| **Total Assets at Fair Value** | $ 8,806,653 | $ 8,806,653 | $ - | $ - |

## Note 6 – Party in Interest Transactions

Fidelity manages certain Plan investments. Fidelity is the trustee as defined by the Plan and Fidelity Investments is the recordkeeper of the Plan and, therefore, these transactions qualify as party in interest transactions. These transactions are considered exempt under Section (3)(14) of ERISA.

## Note 7 – Nonexempt Party in Interest Transactions

Certain participant deferrals and loan repayments were not remitted to the Plan within the defined time period. Department of Labor (DOL) Regulation 2510.3-102 requires that employers remit the employee contributions and loan repayments to the Plan as soon as they can be reasonably segregated from the employer's general assets, but not later than the fifteenth business day of the month following the month in which the participant contributions and loan repayments are withheld or received by the employer.

A party in interest engaging in a nonexempt transaction (a prohibited transaction) is subject to an excise tax of 15%. The tax is imposed even if the transaction was inadvertent or benefits the Plan. Further, additional taxes may be imposed if the transaction is not corrected in a specified period of time.

Nonexempt party in interest transactions are disclosed in the accompanying supplemental schedule of Schedule H, Line 4a – Schedule of Delinquent Participant Contributions.

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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 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.

## Note 9 – Plan Termination

Although it has not expressed any intent to do so, the Company has the right to terminate the Plan subject to provisions of ERISA. In the event of termination of the Plan, the accounts of each participant shall become fully vested.

## Note 10 – Income Tax Status

The Plan obtained an opinion letter from the Internal Revenue Service on March 31, 2008. The plan administrator believes that the Plan is currently designed and being operated in compliance with the qualification requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

**Note 10 – Income Tax Status** (continued)

U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The plan administrator believes the tax positions taken will, more likely than not, be sustained under examination by the applicable tax authorities. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2012.

**Note 11 – Reconciliation of Financial Statements to Form 5500**

Interest-bearing cash (representing the Fidelity Retirement Money Market Fund) as reported on Form 5500, Schedule H, in the amounts of $2,544,777 and $2,979,290, as of December 31, 2015 and 2014, respectively, are included with investments in the financial statements.

**Note 12 – Subsequent Events**

The plan administrator has evaluated for subsequent events through October 10, 2016, the date the Plan's financial statements were available to be issued. No subsequent events required disclosure were noted.

# SUPPLEMENTAL SCHEDULES

**OUR GANG SAVINGS INCENTIVE PLAN**
**SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)**
**DECEMBER 31, 2015**
**EIN: 95-3781318**
**Plan Number: 001**

| (a) | (b) | (c) | (d) | (e) |
|---|---|---|---|---|
| | **Identity of issue, borrower, lessor, or similar party** | **Description of investment including maturity date, rate of interest, collateral, par or maturity value** | **Cost**** | **Current Value** |
| * | Fidelity Retirement Government Money Market II Portfolio Fund | Mutual fund | | $ 2,544,777 |
| * | Fidelity Freedom 2015 Fund | Mutual fund | | 1,168,494 |
| * | Fidelity Freedom 2020 Fund | Mutual fund | | 665,361 |
| * | Prudential Jennison Mid Cap Growth A Fund | Mutual fund | | 528,242 |
| * | Fidelity Growth & Income Fund | Mutual fund | | 514,735 |
| * | Fidelity 500 Index Premium Class Fund | Mutual fund | | 475,833 |
| * | Fidelity Government Income Fund | Mutual fund | | 380,325 |
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| * | Fidelity Freedom 2025 Fund | Mutual fund | | 313,986 |
| * | Fidelity Diversified International Fund | Mutual fund | | 254,725 |
| * | Fidelity Dividend Growth Fund | Mutual fund | | 205,148 |
| * | Fidelity Freedom 2035 Fund | Mutual fund | | 169,726 |
| * | Fidelity Capital & Income Fund | Mutual fund | | 167,140 |
| * | Fidelity Freedom 2030 Fund | Mutual fund | | 118,241 |
| * | Fidelity Freedom 2040 Fund | Mutual fund | | 69,607 |
| * | Fidelity Freedom 2010 Fund | Mutual fund | | 36,779 |
| * | Fidelity Freedom Income Fund | Mutual fund | | 35,432 |
| | Fidelity Freedom 2005 Fund | Mutual fund | | 27,969 |
| | Fidelity Freedom 2045 Fund | Mutual fund | | 20,135 |
| | Fidelity Value Discovery Fund | Mutual fund | | 16,682 |
| * | Fidelity Freedom 2050 Fund | Mutual fund | | 15,888 |
| * | Northern Small Cap Value Fund | Mutual fund | | 6,838 |
| * | Fidelity Independence Fund | Mutual fund | | 5,517 |
| * | Fidelity US Bond Index Premium Class Fund | Mutual fund | | 3,233 |
| * | Fidelity Extended Market Index Premium Class Fund | Mutual fund | | 695 |
| * | Fidelity Freedom 2055 Fund | Mutual fund | | 640 |
| * | Fidelity Freedom 2060 Fund | Mutual fund | | 317 |
| * | Fidelity International Index Premium Class Fund | Mutual fund | | 116 |
| | Participant loans | Varying maturity dates, interest rate range: 3.25% to 5.00% per annum | -0- | $ 67,775 |

* *Indicates a party in interest*

** *Cost information omitted for all participant-directed funds*

See independent auditor's report.

**OUR GANG SAVINGS INCENTIVE PLAN**
**SCHEDULE H, LINE 4a - SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS**
**DECEMBER 31, 2015**
**EIN: 95-3781318**
**Plan Number: 001**

| Participant Contributions Transferred Late to Plan | Total that Constitutes Nonexempt Prohibited Transactions | | | Total Fully Corrected Under VFCP and PTE 2002-51 |
|---|---|---|---|---|
| | Contributions Not Corrected | Contributions Corrected Outside VFCP | Contributions Pending Correction in VFCP | |
| Check here if late participant loan repayments are included: ☑ | $ - | $ 40,462 | $ - | $ - |
| | $ - | $ 40,462 | $ - | $ - |

See independent auditor's report.

**OUR GANG SAVINGS INCENTIVE PLAN**
**SCHEDULE H, LINE 4a - SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS**
**DECEMBER 31, 2015**
**EIN: 95-3781318**
**Plan Number: 001**

| Participant Contributions Transferred Late to Plan | Total that Constitutes Nonexempt Prohibited Transactions | | | Total Fully Corrected Under VFCP and PTE 2002-51 |
|---|---|---|---|---|
| | Contributions Not Corrected | Contributions Corrected Outside VFCP | Contributions Pending Correction in VFCP | |
| Check here if late participant loan repayments are included: ☑ | $ - | $ 40,462 | $ - | $ - |
| | $ - | $ 40,462 | $ - | $ - |