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. . . . . ▶ [X]

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
RETIREMENT PLAN FOR HOURLY PAID EMPLOYEES OF SPECIALTY GRANULES INC.

1b Three-digit plan number (PN) ▶ 003

1c Effective date of plan 01/01/2011

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)
SPECIALTY GRANULES LLC

1 CAMPUS DRIVE
PARSIPPANY, NJ 07054

2b Employer Identification Number (EIN)
22-3807370

2c Plan Sponsor's telephone number
973-628-3000

2d Business code (see instructions)
324120

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.	10/14/2016	ANN PERI
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2016	ANN PERI
	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	22-3807370
a Sponsor's name SPECIALTY GRANULES INC.	**4c** PN	003
5 Total number of participants at the beginning of the plan year	**5**	332
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)**	123
a(2) Total number of active participants at the end of the plan year	**6a(2)**	115
b Retired or separated participants receiving benefits	**6b**	105
c Other retired or separated participants entitled to future benefits	**6c**	61
d Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	281
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	41
f Total. Add lines **6d** and **6e**.	**6f**	322
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	
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:
1B 1I 3H

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)	[X]	**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 SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

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

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan
RETIREMENT PLAN FOR HOURLY PAID EMPLOYEES OF SPECIALTY GRANULES INC.

B Three-digit plan number (PN) ▶ 003

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
SPECIALTY GRANULES LLC

D Employer Identification Number (EIN)
22-3807370

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2015

2 Assets:

a Market value	**2a**	6233215
b Actuarial value	**2b**	6233215

3 Funding target/participant count breakdown

	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	143	3519013	3519013
b For terminated vested participants	70	826768	826768
c For active participants	123	1695188	1695188
d Total	336	6040969	6040969

4 If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ]

a Funding target disregarding prescribed at-risk assumptions	**4a**	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	**4b**	
5 Effective interest rate	**5**	6.17%
6 Target normal cost	**6**	166000

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE

Signature of actuary — Date: 08/23/2016

ABBY L. KENDIG — Type or print name of actuary

14-07706 — Most recent enrollment number

MILLIMAN, INC. — Firm name

973-569-5615 — Telephone number (including area code)

150 CLOVE ROAD
10TH FLOOR
LITTLE FALLS, NJ 07424

Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of Year Carryover and Prefunding Balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	336857
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	53361
9	Amount remaining (line 7 minus line 8)	0	283496
10	Interest on line 9 using prior year's actual return of 5.09%	0	14430
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		0
	b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of 6.38%		0
	b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
	c Total available at beginning of current plan year to add to prefunding balance		0
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections		0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	297926

Part III Funding Percentages

14	Funding target attainment percentage	14	98.25 %
15	Adjusted funding target attainment percentage	15	103.18 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	101.35 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
			Totals ► 18(b)	0	18(c) 0

19	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
	a Contributions allocated toward unpaid minimum required contributions from prior years.	19a	0
	b Contributions made to avoid restrictions adjusted to valuation date	19b	0
	c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	0

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No

c If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
4.72 %	6.11 %	6.81 %	☐ N/A, full yield curve used

b Applicable month (enter code)	**21b**	4
22 Weighted average retirement age	**22**	62

23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes	☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes	☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes	☐ No

27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment	**27**	

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	**28**	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	**29**	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	**30**	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6)	**31a**	166000
b Excess assets, if applicable, but not greater than line 31a	**31b**	0

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	105680	17575
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	**33**	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	**34**	183575

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement		183575	183575

36 Additional cash requirement (line 34 minus line 35)	**36**	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	0

38 Present value of excess contributions for current year (see instructions)

a Total (excess, if any, of line 37 over line 36)	**38a**	0
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	**38b**	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	**39**	0
40 Unpaid minimum required contributions for all years	**40**	0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:

a Schedule elected ☐ 2 plus 7 years ☐ 15 years

b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

42 Amount of acceleration adjustment	**42**	
43 Excess installment acceleration amount to be carried over to future plan years	**43**	

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

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

A Name of plan	B Three-digit plan number (PN) ▶	
RETIREMENT PLAN FOR HOURLY PAID EMPLOYEES OF SPECIALTY GRANULES INC.		003
C Plan sponsor's name as shown on line 2a of Form 5500	**D** Employer Identification Number (EIN)	
SPECIALTY GRANULES LLC	22-3807370	

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . ☐ Yes ☒ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

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

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

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

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)

MILLIMAN, INC.

91-0675641

(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?
11 50	NONE	76453	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

ERNST & YOUNG

34-6565596

(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?
10 50	NONE	22300	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

MERRILL LYNCH

13-5674085

(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?
28 50	NONE	16293	Yes [ ] No [X]	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)

STATE STREET BANK & TRUST COMPANY

04-1867445

(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?
21 50	NONE	9023	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [ ] No [ ]

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

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

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

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

Part I Service Provider Information (continued)

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

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

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

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

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

(complete as many entries as needed)

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

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

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

OMB No. 1210-0110

2015

This Form is Open to Public Inspection

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

A Name of plan
RETIREMENT PLAN FOR HOURLY PAID EMPLOYEES OF SPECIALTY GRANULES INC.

B Three-digit plan number (PN) ▶ 003

C Plan sponsor's name as shown on line 2a of Form 5500
SPECIALTY GRANULES LLC

D Employer Identification Number (EIN)
22-3807370

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	346718	67340
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	69841	546287
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	5816656	4951629
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	6233215	5565256
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j	33528	28251
k	Total liabilities (add all amounts in lines 1g through1j)	1k	33528	28251
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	6199687	5537005

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)		
	(B) Participants	2a(1)(B)		
	(C) Others (including rollovers)	2a(1)(C)		
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		0
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)		
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		0
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	434938	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		434938
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)		
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		-547505
c Other income	2c		-3030
d Total income. Add all **income** amounts in column (b) and enter total	2d		-115597
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	378316	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		378316
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: **(1)** Professional fees	2i(1)	107776	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	16293	
(4) Other	2i(4)	44700	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		168769
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		547085
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		-662682
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

(1) Name: ERNST & YOUNG **(2)** EIN: 34-6565596

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

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

Part IV Compliance Questions

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

During the plan year:

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

			Yes	No	N/A	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X		
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X		
e	Was this plan covered by a fidelity bond?	4e	X			10000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X		
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X		
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X		
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X			
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X		
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X		
l	Has the plan failed to provide any benefit when due under the plan?	4l		X		
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X		
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n				
o	Did the plan trust incur unrelated business taxable income?	4o				
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
RETIREMENT PLAN FOR HOURLY PAID EMPLOYEES OF SPECIALTY GRANULES INC.

B Three-digit plan number (PN) ▶ 003

C Plan sponsor's name as shown on line 2a of Form 5500
SPECIALTY GRANULES LLC

D Employer Identification Number (EIN)
22-3807370

Part I Distributions

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

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

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

EIN(s): 04-2456637 _____

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** 0

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 AND
SUPPLEMENTAL SCHEDULES

Retirement Plan for Hourly Paid Employees of Specialty Granules Inc.
Years Ended December 31, 2015 and 2014
With Report of Independent Auditors

Ernst & Young LLP

Building a better working world

Retirement Plan for Hourly Paid Employees of
Specialty Granules Inc.

Financial Statements and Supplemental Schedules

Years Ended December 31, 2015 and 2014

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Report of Independent Auditors

The Plan Administrator
Retirement Plan for Hourly Paid Employees of
Specialty Granules Inc.

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Retirement Plan for Hourly Paid Employees of Specialty Granules Inc., 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 years 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 conformity with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of 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 audits in accordance with auditing standards generally accepted in the United States. 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 certified investment information described in Note 4, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the entity that certified the investment information meets the requirements of 29 CFR 2520.103-8. The plan administrator has obtained certifications as of December 31, 2015 and 2014, and for the years then ended, stating that the investment information provided to the plan administrator is complete and accurate.

A Gl o m b em

Building a better working world

Disclaimer of Opinion on Financial Statements

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.

Disclaimer of Opinion on Supplemental Schedule

The accompanying supplemental schedule of assets (held at end of year) as of December 31, 2015, and reportable transactions for the year ended, are presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedules referred to above.

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

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the certified investment information, have been audited by us in accordance with auditing standards generally accepted in the United States 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.

Ernst & Young LLP

October 13, 2016

A Gl o m b em

Retirement Plan for Hourly Paid Employees of
Specialty Granules Inc.

Statements of Net Assets Available for Benefits

	December 31, 2015	2014
Assets		
Cash	**$ 67,340**	$ 346,718
Cash equivalents	**546,287**	69,841
Mutual funds:		
Equity funds	**3,954,758**	4,645,878
Commingled funds	**996,871**	1,170,778
Total investments	**5,497,916**	5,886,497
Total assets	**5,565,256**	6,233,215
Liabilities		
Accrued liabilities	**28,251**	33,528
Net assets available for benefits	**$ 5,537,005**	$ 6,199,687

See accompanying notes.

Retirement Plan for Hourly Paid Employees of
Specialty Granules Inc.

Statements of Changes in Net Assets Available for Benefits

	Year Ended December 31, 2015	2014
Additions		
Dividend income	**$ 434,938**	$ 304,015
Deductions		
Retirement benefits paid	**378,316**	372,336
Administrative expenses	**168,769**	173,636
Other	**3,030**	–
Total deductions	**550,115**	545,972
Net (depreciation) appreciation in fair value of investments	**(547,505)**	10,879
Net (decrease) in net assets available for benefits	**(662,682)**	(231,078)
Net assets available for benefits:		
Beginning of year	**6,199,687**	6,430,765
End of year	**$ 5,537,005**	$ 6,199,687

See accompanying notes.

Retirement Plan for Hourly Paid Employees of
Specialty Granules Inc.

Notes to Financial Statements

December 31, 2015

1. Description of the Plan

The following description of the Retirement Plan for Hourly Paid Employees of Specialty Granules LLC (the "Plan") is provided for general purposes only. Participants should refer to the Plan document for more detailed and complete information of the Plan's provisions. The Plan was established January 1, 2011, and was most recently amended and restated effective January 1, 2015. Participants in the Retirement Plan for Hourly Paid Employees of International Specialty Products Inc. (the "ISP Plan") as of December 31, 2010 were transferred into the Plan.

General

The Plan is sponsored by Specialty Granules LLC (the "Company"). The Company was known as Specialty Granules Inc. prior to September 15, 2015, when Specialty Granules Inc. converted to a limited liability company and changed its name to Specialty Granules LLC. The Plan is a frozen, noncontributory defined benefit plan covering the eligible hourly employees of the Company. All participants are fully vested. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Pension Benefits

Normal retirement age is 65. The retirement benefit represents the applicable benefit rate, as defined, multiplied by the participant's years of credited service, as defined.

Generally, early retirement age is 55, provided the participant has accrued 10 years of credited service, and retirement due to disability requires 15 years of vesting service. Benefits are paid to the retirees in the form of a monthly annuity payment. If the actuarial present value of a participant's monthly benefit does not exceed $1,000, the participant's entire interest in the Plan will be paid to them in a single lump sum.

Plan Termination

While it has not expressed any intention to do so, the Company has the right under the Plan to terminate the Plan subject to the provisions set forth in ERISA. In the event of termination of the Plan, the net assets of the Plan shall be used and applied first for the benefit of retired employees and employees who have reached their normal retirement date and second for the benefit of all other employees based on their accrued retirement benefits at the date of termination of the Plan

1. Description of the Plan (continued)

in amounts proportionate to the actuarially determined present value of their retirement benefits at the date of termination of the Plan. Any balance remaining after satisfaction of all liabilities of the Plan shall be returned to the Company. If the Plan is terminated, certain benefits under the Plan are insured by the Pension Benefit Guaranty Corporation ("PBGC"). Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivors' pensions.

The PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. However, there is a statutory ceiling, which is adjusted periodically, relating to the maximum amount of an individual's monthly benefit that the PBGC guarantees. Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Company and the level of benefits guaranteed by the PBGC.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting. Purchases and sales transactions are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Benefits are recorded when paid.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash and other assets which are highly liquid, have an original maturity of 90 days or less, have high credit quality and are diversified. Cash equivalents represent an investment in the BIF Money Fund. The fair value of this investment is based on net asset value ("NAV") which reflects the value of the underlying assets owned by the BIF Money Fund, minus liabilities, and then divided by the number of shares outstanding.

2. Summary of Significant Accounting Policies (continued)

Investment Valuation and Income Recognition

The mutual funds held are Merrill Lynch, Pierce, Fenner & Smith ("Merrill Lynch") publicly listed investment funds. The fair value is based upon each fund's net asset value ("NAV") and is quoted in a market that is active. Merrill Lynch determines the published NAV which is based on the value of the underlying assets owned by the funds, minus liabilities, and then divided by the number of shares outstanding. These investments included both equity and commingled funds securities and may incorporate the use of options, futures, and other financial instruments.

All investment transactions, including cash equivalents, are recorded by the State Street Corporation (the "Trustee") on a trade-date basis. Realized gains and losses on the sale of investments are determined for accounting purposes on a moving average cost basis. Net appreciation and depreciation of investments include both realized and unrealized gains and losses on investments.

Tax Status

The Plan is relying on the determination letter from the Internal Revenue Service (the IRS) dated July 18, 2011, issued to the ISP Plan, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code ("the Code") and, therefore, the related trust is exempt from taxation. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualified status. The plan administrator believes the Plan, as amended, is currently being operated in compliance with the applicable requirements of the Code and therefore believes the Plan is qualified and the related trust is tax exempt. In addition, the plan administrator has indicated that it will take the necessary steps, if any, to bring the Plan's operations into compliance with the Code, if necessary.

Accounting principles generally accepted in the United States require plan management to evaluate uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the IRS. The plan administrator has analyzed the tax position taken by the Plan, and has concluded that as of December 31, 2015, there are no uncertain tax positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions, however, there are currently no audits for any tax periods in progress.

2. Summary of Significant Accounting Policies (continued)

Funding Policy

The Company makes contributions to the Plan sufficient to meet the actuarially determined funding requirements of ERISA and the Pension Protection Act of 2006. The Plan has met such requirements for 2015 and 2014.

The Highway and Transportation Funding Act ("HATFA") was enacted on August 8, 2014, potentially lowering the minimum funding requirements for defined benefit plans. In September 2014, the plan sponsor used the HATFA segmented interest rates for benefit restriction and minimum funding calculations for the plan year beginning January 1, 2014. The plan continues to use HATFA rates in 2015.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires the plan administrator to make estimates and assumptions that affect the amounts reported in the financial statements, and accompanying notes and supplemental schedules. Actual results could differ from those estimates.

Risks and Uncertainties

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

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimation and assumption process, it is at least reasonably possible that changes in these estimates and assumptions in the near term could materially affect the amounts reported and disclosed in the financial statements.

2. Summary of Significant Accounting Policies (continued)

Administrative Expenses

As provided by the Plan, expenses of the Plan are paid by either the Plan or the Company. In 2015 and 2014, expenses were paid by both the Plan and the Company.

Fair Value Measurements

The accounting guidance on fair value measurements and disclosures establishes a valuation hierarchy that prioritizes the inputs used to measure fair value based on three defined levels or criteria. The hierarchy requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the reporting entity's market assumptions. The three levels of inputs that may be used to measure fair value are as follows:

- **Level 1** – Quoted prices for identical instruments in active markets;

- **Level 2** – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose significant inputs are observable; and

- **Level 3** – Instruments whose significant inputs are unobservable and for which estimates of fair value are determined using related market data.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. There have been no changes in the valuation methodologies used for assets measured at fair value at December 31, 2015, as described above (see Investment Valuation and Income Recognition).

The 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.

2. Summary of Significant Accounting Policies (continued)

The following table provides the fair value hierarchy of the Plan's investments as of December 31, 2015:

	Level 1	**Total**
Mutual funds:		
Equity funds	**$ 3,954,758**	**$ 3,954,758**
Commingled funds	**996,871**	**996,871**
Investments in the fair value hierarchy	**$ 4,951,629**	**4,951,629**
Cash equivalents, at NAV		**546,287**
Total investments		**$ 5,497,916**

The following table provides the fair value hierarchy of the Plan's investments as of December 31, 2014:

	Level 1	**Total**
Mutual funds:		
Equity funds	$ 4,645,878	$ 4,645,878
Commingled funds	1,170,778	1,170,778
Investments in the fair value hierarchy	$ 5,816,656	5,816,656
Cash equivalents, at NAV		69,841
Total investments		$ 5,886,497

New Accounting Pronouncements

In May 2015, the FASB issued Accounting Standards Update 2015-07, *Disclosures for Investments in Certain Entities that Calculate Net Asset Value Per Share (or its Equivalent),* (ASU 2015-07). ASU 2015-07 removes the requirement to categorize within the fair value hierarchy investments for which fair values are estimated using the net asset value practical expedient provided by Accounting Standards Codification 820, *Fair Value Measurement.* Disclosures about investments in certain entities that calculate net asset value per share are limited under ASU 2015-07 to those investments for which the entity has elected to estimate the fair value using the net asset value practical expedient. ASU 2015-07 is effective for entities (other than public business entities) for fiscal years beginning after December 15, 2016, with retrospective application to all periods presented. The Plan early adopted ASU 2015-07, and it did not have a material impact on its financial statements.

2. Summary of Significant Accounting Policies (continued)

In July 2015, the FASB issued ASU 2015-12, *Plan Accounting: Defined Benefit Pension Plans ("Topic 960"), Defined Contribution Pension Plans ("Topic 962"), Health and Welfare Benefit Plans ("Topic 965"): ("Part I") Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, ("Part III")* Measurement Date Practical Expedient, (collectively, ASU 2015-12). Parts I and III of ASU 2015-12 are not applicable to the Plan. Part II of ASU 2015-12 eliminates the requirements to disclose individual investments that represent 5% or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. It also simplifies the level of disaggregation of investments that are measured using fair value. Plans will continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate investments by nature, characteristics and risks. Further, the disclosure of information about fair value measurements shall be provided by general type of plan asset. Part II is to be applied retrospectively. The Plan early adopted ASU 2015-12 and it did not have a material impact on its financial statements.

3. Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments calculated based upon the provisions of the Plan. Benefits payable under all circumstances are included to the extent that they are deemed attributable to employee services rendered to the valuation date. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) current employees or their beneficiaries.

The actuarial present value of accumulated plan benefits is determined by Milliman, Inc., a consulting actuarial firm, by applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the date as of which the benefit information is computed and the expected date of payment.

3. Actuarial Present Value of Accumulated Plan Benefits (continued)

The actuarial present value of accumulated plan benefits for the Company as of December 31, 2014, and the changes therein for the year then ended are as follows:

	December 31, 2014
Actuarial present value of accumulated plan benefits:	
Vested benefits:	
Participants currently receiving payments	$ 3,636,082
Other participants	2,540,648
Total vested benefits	6,176,730
Non-vested benefits	35,298
Total accumulated plan benefits	$ 6,212,028

	Year Ended December 31, 2014
Changes in the actuarial present value of accumulated plan benefits:	
Actuarial present value of accumulated plan benefits at beginning of year	$ 6,439,593
Increase (decrease) during the period attributable to:	
Benefits paid to participants	(372,336)
Change in average discount period	375,368
Changes in actuarial assumptions (mortality improvement)	(150,321)
Additional benefits accumulated, including gains and losses	(80,276)
Actuarial present value of accumulated plan benefits at end of year	$ 6,212,028

3. Actuarial Present Value of Accumulated Plan Benefits (continued)

The value at December 31, 2014, is based on an actuarial valuation as of January 1, 2015. Had the valuation been performed on December 31, 2014, there would be no material differences. The significant actuarial assumptions used in the valuation as of January 1, 2015, were (a) the life expectancy of participants was determined through the use of the RP 2014 Mortality Table with blue collar adjustment backed out to 2006 and projected with the MP 2015 Mortality Improvement Table for males and females, (b) retirement age assumptions (the assumed average retirement age is 62), and (c) a liability discount rate of 6%. For the plan year ended December 31, 2014, life expectancy was determined using the RP 2014 Mortality Tables with blue collar adjustment projected with the MP – 2014 projection scale for males and females.

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

4. Information Certified by the Trustee

The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Certain information related to investments for the Plan disclosed in the accompanying financial statements and supplemental schedules including investments held at December 31, 2015 and 2014, and net (depreciation) appreciation in fair value of investments and dividend income for the years ended December 31, 2015 and 2014, was obtained or derived from information provided to the plan administrator and certified as complete and accurate by State Street Bank and Trust, the trustee of the Plan.

5. Subsequent Events

Management evaluated subsequent events for the Plan through October 13, 2016, the date the financial statements were available to be issued, and noted there was no impact on the Plan's net assets available for benefits or its changes in net assets available for benefits.

Supplemental Schedules

Retirement Plan for Hourly Paid Employees of
Specialty Granules Inc.

EIN #22-3807370 Plan #003

Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)

December 31, 2015

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Date	(d) Cost	(e) Current Value
	Cash Equivalents	BIF Money Fund	$ 546,287	$ 546,287
	Mutual Funds:			
	Equity Funds			
		Baron Growth Funds Ins	1,050,975	988,831
		Oakmark Global Select Fund I	1,031,186	1,006,058
		AMG Yacktman Focused Fund Inst	1,212,191	998,204
		First Eagle Global I	999,571	961,665
		Total equity funds	4,293,923	3,954,758
	Commingled Funds	FPA Crescent Fund	1,034,215	996,871
		Total commingled funds	1,034,215	996,871
		Total investments	$ 5,874,425	$ 5,497,916

Retirement Plan for Hourly Paid Employees of
Specialty Granules Inc.

EIN #22-3807370 Plan #003

Schedule H, Line 4(j) – Schedule of Reportable Transactions

Year Ended December 31, 2015

Category (i) – Single transaction in excess of 5% of plan assets

Description	Price	Current Value	Unrealized Gain
Purchases			
BIF Money Fund	$ 500,000	$ 500,000	$ –

Category (iii) – Series of transactions in excess of 5% of plan assets

Description	Price	Current Value	Unrealized Gain
Sales			
AMG Yacktman Focused Fund	$ 148,764	$ 150,000	$ 1,236
BIF Money Fund	30,009	30,009	–

Description	Price	Current Value	Unrealized Gain
Purchases			
AMG Yacktman Focused Fund	$ 198,054	$ 198,054	$ –
BIF Money Fund	506,455	506,455	–

There are no category (ii) or (iv) transactions

EY | Assurance | Tax | Transactions | Advisory

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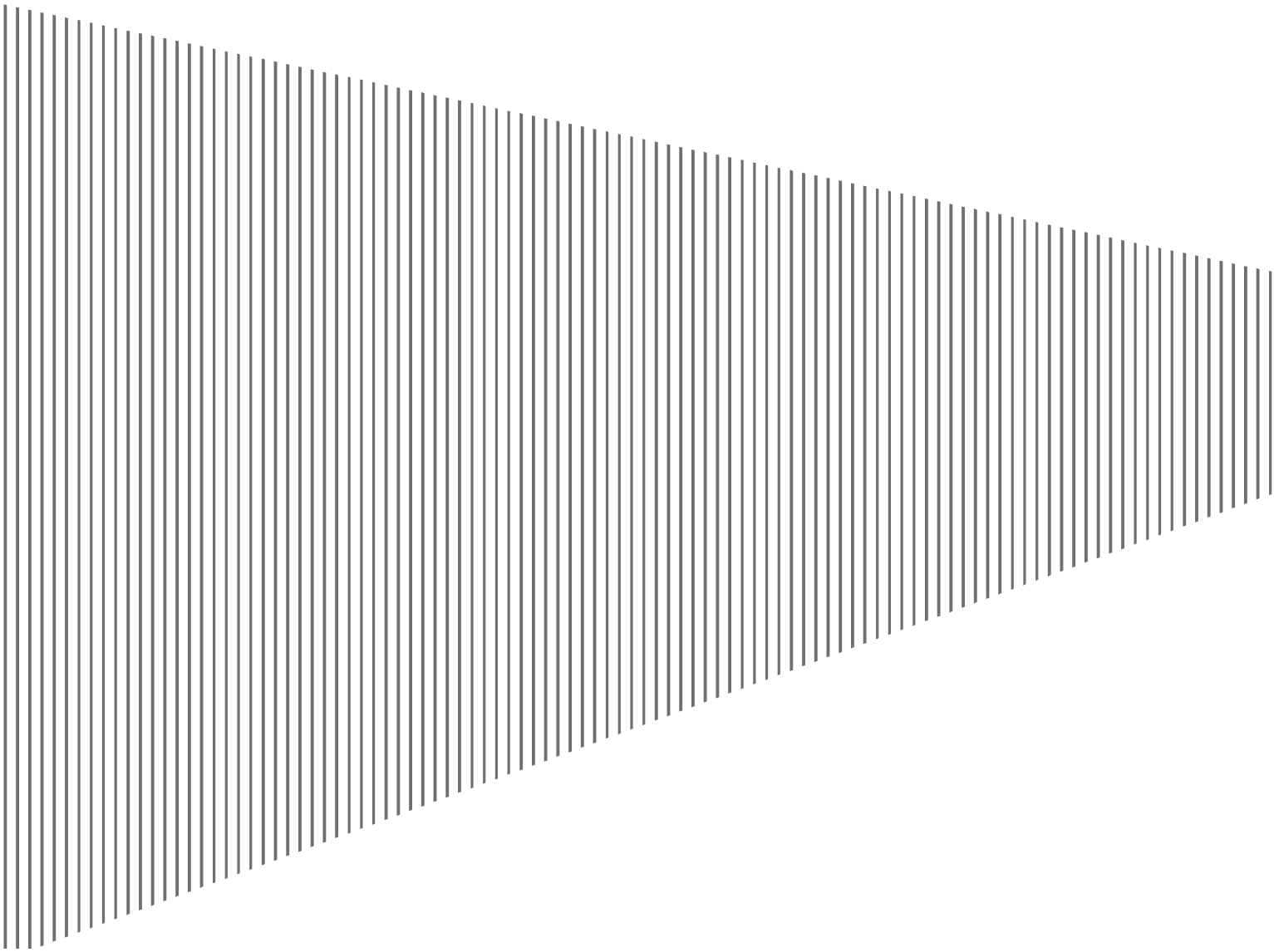

Retirement Plan for Hourly Paid Employees of Specialty Granules Inc.
2015 Schedule SB, line 22 – Description of Weighted Average Retirement Age
EIN/PN: 22-3807370 / 003

The weighted average retirement age = $\sum_{n=0}^{k-x} {}_{n|}q_x * (x+n)$

x = the earliest retirement age for which a retirement rate is shown.

${}_{n|}q_x$ = the probability that (x) will survive for n years and retire in the (n + 1)th year.

k = the maximum retirement age for which a retirement rate is shown.

Retirement: Rates are illustrated below:

Age	Rate	Age	Rate
55	5.0%	63	25.0%
56	5.0%	64	10.0%
57	5.0%	65	50.0%
58	5.0%	66	50.0%
59	5.0%	67	50.0%
60	5.0%	68	50.0%
61	5.0%	69	50.0%
62	25.0%	70	100.0%

Retirement Plan for Hourly Paid Employees of Specialty Granules Inc.
2015 Schedule SB, line 26 – Schedule of Active Participant Data
EIN/PN: 22-3807370 / 003

Number of Participants by Age and Service Groups

	Years of Credited Service										
Age	**<1**	**1-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25-29**	**30-34**	**35-39**	**40&Up**	**Total**
0-24	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-	-	-	-
35-39	-	-	-	-	-	-	-	-	-	-	-
40-44	2	2	-	-	-	-	-	-	-	-	4
45-49	1	8	4	-	-	-	-	-	-	-	13
50-54	-	3	14	3	-	-	-	-	-	-	20
55-59	2	7	9	9	19	-	-	-	-	-	46
60-64	1	7	7	3	12	3	-	-	-	-	33
65-69	-	-	-	-	3	3	1	-	-	-	7
70&Up	-	-	-	-	-	-	-	-	-	-	-
Total	6	27	34	17	34	6	1	-	-	-	123

Retirement Plan for Hourly Paid Employees of Specialty Granules Inc.
2015 Schedule SB, line 32 – Schedule of Amortization Bases
EIN/PN: 22-3807370 / 003

The amount needed to amortize the Funding Shortfall to the Applicable Funding Target, in combination with prior Shortfall Amortizations, for the plan year beginning January 1, 2015 is determined below. The net Funding Shortfall for a plan year is amortized in seven level payments. The present value and amortization factors shown below are based on the interest rates for determining the Applicable Funding Target for the current plan year.

1. Present value of remaining prior Shortfall Amortizations

	Date Established	Amortization Amount	Years Remaining	Present Value Factor	Present Value
a.	Total				0

2. Shortfall Amortization for current plan year

a.	Applicable Funding Target	6,040,969
b.	Actuarial Value of Assets less Prefunding Balance	5,935,289
c.	Funding Shortfall [(a) - (b), but not less than $0]	105,680
d.	Net Funding Shortfall [if (c) > $0, (c) - (1), otherwise n/a]	105,680
e.	Amortization factor	6.01312
f.	Shortfall Amortization for current plan year [(d) ÷ (e)]	17,575

3. Total Shortfall Amortizations
[(1) + (2f), but not less than $0] $17,575

Retirement Plan for Hourly Paid Employees of Specialty Granules Inc.
2015 Schedule SB, Part V – Statement of Actuarial Assumptions/Methods
EIN/PN: 22-3807370 / 003

Actuarial Methods

Actuarial Cost method: Unit Credit.

The actuarial cost method used in the valuation is the accrued benefit (unit credit) cost method as prescribed by PPA. In this method, the regular plan cost arises from two sources: a Normal Cost and an amortization payment for the Funding Target Shortfall.

The Funding Target is determined as the actuarial present value of benefits as of the valuation date. The Shortfall is equal to the Funding Target less the Plan Assets (with adjustments for credit balances). The amortization payment for a plan year is the aggregate total of the Shortfall Amortization payments, which are based on amounts necessary to amortize the additional Shortfall of each year in level annual installments over a 7-year period beginning with such year.

The Normal Cost is the actuarial present value of benefits expected to accrue during the valuation year plus anticipated administrative expense, if any.

Actuarial Asset Valuation Method:

The asset valuation technique determines valuation assets as the market value of assets.

Interest Rate Election for Determining Plan Liabilities:

Segment Rates with 4 month look back

Economic Assumptions

Interest Rates:

PPA Funding – 2015 Segment Rates with 4 month lookback, subject to Segment Rate Stabilization.

PBGC and Maximum Deductible Contribution – 2015 Segment Rates without Segment Rate Stabilization (4 month lookback).

Segment	With Segment Rate Stabilization	Without Segment Rate Stabilization
Under 5 Years	4.72%	1.15%
5 to 20 Years	6.11%	4.06%
20 years or more	6.81%	5.15%
Effective Rate	6.17%	4.18%

Rationale for assumption: The above rates are prescribed interest rates under PPA.

Retirement Plan for Hourly Paid Employees of Specialty Granules Inc.
2015 Schedule SB, Part V – Statement of Actuarial Assumptions/Methods
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FASB ASC Topic 960 Discount Rate:

Assumption: 6.00%

Rationale for assumption - Chosen by Plan Sponsor

Administrative Expense Assumption:

Assumption: Prior year's actual expenses rounded to the next $1,000.

Rationale for assumption: This assumption is our best estimate of future administrative expenses payable from the plan's assets.

Demographic Assumptions

We believe the demographic assumptions shown below are reasonable for the contingencies they are measuring and are not anticipated to produce significant cumulative actuarial gains or losses over the measurement period.

Mortality (Healthy and Disabled):

PPA Funding - RP2000 mortality tables for males and females, projected to valuation year with additional projections of seven years for annuitants and fifteen years for non-annuitants.

FASB ASC Topic 960 - RP-2014 Blue Collar Mortality Tables adjusted backward to 2006 with Scale MP-2014 and projected forward with Scale MP-2015 (previously, RP-2014 Blue Collar Mortality Tables with Scale MP-2014).

Rationale for assumptions: The plan is not large enough to develop a credible mortality table based exclusively on plan experience. We have relied on the above mentioned published mortality tables in which credible mortality experience was analyzed.

Withdrawal:

Assumption: Sample rates are illustrated below:

Age	Rate
25	9.5%
40	4.5%
50	3.5%
55	0.0%

No withdrawal rates apply to vested participants. The rates above are increased by the following select withdrawal rates for participants with less than three years of service:

Service	Rate
0	25.0%
1	15.0%
2	10.0%
3	0.0%

Rationale for assumption: This assumption was developed based on industry standard termination rates as well as the plan's historical experience.

Disability:

Assumption: Sample rates are illustrated below:

Age	Male Rate	Female Rate
25	0.1634%	0.0888%
40	0.4350%	0.3924%
50	1.0944%	0.9414%
55	1.9062%	1.5656%

Rationale for assumption: This assumption was developed based on industry standard termination rates as well as the plan's historical experience.

Retirement:

Assumption: Participants are assumed to retire based on the following set of rates:

Age	Rate
55 – 61	5.0%
62 – 63	25.0%
64	10.0%
65 – 69	50.0%
70	100.0%

Vested terminated participants are assumed to elect to start receiving benefits at age 55 or current age, if later.

Rationale for assumption: This assumption was developed based on the plan's historical experience. In addition, we have considered sponsor input, eligibility criteria for the benefits, our experience with similar populations and industries, eligibility criteria for social insurance programs, and economic conditions that might have influenced prior experience or may impact future experience.

Marriage Assumption:

Assumption: 80% of participants assumed to be married with females 3 years younger than males.

Rationale for assumption: This assumption was developed based on the plan's historical experience that the most participants are married at retirement.

Election of Optional Form of Benefit:

Assumption: 100% of participants are assumed to elect the Single Life Annuity form of benefit at retirement.

Rationale for assumption: This assumption was developed based on the fact that all optional forms are actuarially equivalent.

Salary Increases: N/A

Retirement Plan for Hourly Paid Employees of Specialty Granules Inc.
2015 Schedule SB, Part V – Summary of Plan Provisions
EIN/PN: 22-3807370 / 003

The report was prepared in accordance with the provisions of the plan, a summary of which is presented below. The summary describes the principal provisions only and is not intended to be authoritative. For questions about specific benefits, please refer to the plan document.

Basic Information

Plan Name: Retirement Plan for Hourly Paid Employees of Specialty Granules Inc.

Effective Date of Plan: January 1, 2011.

EIN/PN: 22-3807370/003.

Plan Year: January 1 – December 31.

Eligibility: All hourly-paid employees employed by the Company, except leased employees, and employees who are active participants of other qualified retirement plans sponsored by the Company. New employees may not participate. See the notes following the Current Plan Provisions by Location.

Benefit Service: One month of service is credited for each 133 hours worked during the Plan Year, not to exceed 12 months of Credited Service in any Plan Year.

Vesting Service: A year of Vesting Service is earned for each Plan Year in which a participant completes 1,000 hours of service.

Employee Contribution: None. Plan is funded entirely by employer contributions.

Benefit Formulas and Eligibilities

Normal Retirement

Normal Retirement Date: Age 65.

Normal Retirement Benefit: A monthly benefit for each year of Credited Service equal to a dollar multiplier effective as of the participant's termination date, times the participant's Credited Service at termination. See the Current Plan Provisions by Location for dollar multipliers for each location. This amount is offset by an annuity purchase benefit issued by John Hancock Mutual Life Insurance Company.

Benefits are frozen for all participants.

Deferred Retirement

Deferred Retirement Date: 5 years of Vesting Service.

Deferred Retirement Benefit: Calculated in the same manner as described in Normal Retirement above.

Retirement Plan for Hourly Paid Employees of Specialty Granules Inc.
2015 Schedule SB, Part V – Summary of Plan Provisions
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Early Retirement

Early Retirement Date: See the Current Plan Provisions by Location for early retirement eligibility provisions.

Early Retirement Benefit: Same as for normal retirement, but reduced for early commencement. See the Current Plan Provisions by Location for early retirement reductions.

Disability Retirement

Disability Retirement Date: See the Current Plan Provisions by Location for disability eligibility provisions.

Disability Retirement Benefit: An immediate benefit equal to the normal retirement benefit, reduced as shown in the Current Plan Provisions by Location.

Vested Termination

Vested Termination Date: 5 Years of Vesting Service.

Termination Benefit: A benefit amount deferred to normal retirement age, equal to the vested accrued benefit and reduced as in early retirement if paid prior to the normal retirement age.

Preretirement Surviving Spouse Coverage

Preretirement Surviving Spouse Benefit Eligibility: 5 years of Vesting Service, or age 65.

Preretirement Surviving Spouse Benefit: Upon the death of an active or terminated participant who was eligible for early retirement, 100% of the benefit he would have received had he retired with a Qualified Joint and Survivor Annuity the day preceding his death.

Upon the death of an active or terminated participant with vested rights who was not yet eligible for early retirement, 100% of the benefit he would have received had he terminated the day preceding his death, lived to early retirement age, and retired with a Qualified Joint and Survivor Annuity.

Forms of Payment

Normal Forms: Life Annuity for unmarried participants; actuarially reduced Qualified Joint and Survivor Annuity for married participants (unless the participant and spouse elect otherwise).

Qualified Joint and Survivor Annuity: An actuarially reduced 100% joint and survivor annuity.

Optional Forms: A participant may elect an optional form of benefit if the value of the vested benefit is $5,000 or more. Life annuity; Life annuity with period certain of 5, 10, 15, or 20 years; Social Security equalization; 50% or 100% joint and survivor.

Optional Form Conversion: Actuarial equivalent form based upon the following:

Retirement Plan for Hourly Paid Employees of Specialty Granules Inc.
2015 Schedule SB, Part V – Summary of Plan Provisions
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- Interest: The annual interest rate on 30 year Treasury Constant Maturities as published in the Internal Revenue Bulletin for the first full calendar month preceding the first day of the Plan Year (2.83% for 2015).
- Mortality: The applicable Mortality Table as prescribed by the Commissioner. ("2015 Applicable Mortality Table" as specified in IRS Revenue Ruling 2007-67 for 2015).

For participants who terminated prior to December 31, 2004, actuarial equivalent form is based upon the following: Interest: 5.50%; Mortality: 1984 Unisex Pension Mortality Table.

Maximum Benefit: The maximum benefit used to determine Plan benefits is limited as required by IRC Section 415(b). The limit for 2015 is $210,000.

Retirement Plan for Hourly Paid Employees of Specialty Granules Inc.
2015 Schedule SB, Part V – Summary of Plan Provisions
EIN/PN: 22-3807370 / 003

CURRENT PLAN PROVISIONS BY LOCATION – DOLLAR MULTIPLIERS*

		Dollar Multipliers		Frozen Benefits		
Location	No.	Effective Date	Amount	Frozen Date	Eligibility	Amount
Annapolis	721	2/1/2002	$27.75	6/1/1993	Age 55 with 10 years of Vesting Service	$17.50
Charmain	724	10/1/2002	$23.50	9/30/1993	Age 55 with 10 of Vesting Service at 1/1/1994	$17.00
Kremlin	741	7/1/2001	$28.50	12/31/1993	Age 55 with10 of Vesting Service at 7/1/1993	$21.50

*For explanation of table items, please see the Notes to Accompany Current Plan Provisions by Location, at the end of this Section.

CURRENT PLAN PROVISIONS BY LOCATION – MISCELLANEOUS*

		Early Retirement		
Location	No.	Eligibility	Reduction	Union Status
Annapolis	721	Age 55 with 10 years of Vesting Service	1/2% per month; 0% if age 62 with 25 years of Credited Service	Union
Charmain	724	Age 55 with10 years of Vesting Service	1/2% per month: 0% if age 62 with 25 years of Credited Service	Non-Union
Kremlin	741	Age 55	1/2% per month: 0% if age 62 with 25 years of Credited Service	Union

Retirement Plan for Hourly Paid Employees of Specialty Granules Inc.
2015 Schedule SB, Part V – Summary of Plan Provisions
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		Disability	
Location	No.	Eligibility	Reduction
Annapolis	721	15 years of Vesting Service	None
Charmain	724	Age 55 with 10 years of Vesting Service or age 50 with 15 years of Vesting Service	None
Kremlin	741	15 years of Vesting Service	None

*For explanation of table items, please see the Notes to Accompany Current Plan Provisions by Location, at the end of this Section.

NOTES TO ACCOMPANY CURRENT PLAN PROVISIONS BY LOCATION:

- The dollar multipliers shown are negotiated increases that are applicable to all Credited Service. The dollar multiplier found in the last column is the one used for participants who elected to freeze benefit accruals. The other dollar multiplier shown is the one used as of the valuation date for participants who elected not to freeze benefit accruals. The dollar multipliers used for the previous valuation are the same as those shown in the table above.

- The benefit reduction percentages are monthly reductions prior to normal retirement date.

- The normal retirement date for all locations is age 65.

- None of the locations permit new enrollments.

- The Kremlin Clerical location (806) is considered to be part of SGI; however, this location contains no active or inactive participants

Retirement Plan for Hourly Paid Employees of Specialty Granules Inc.
2015 Schedule SB, line 25 – Change in Method
EIN/PN: 22-3807370 / 003

Effective with the 2015 plan year, the valuation software was changed from Milliman's proprietary valuation system to a commercially available valuation system. The change satisfies the requirements for automatic approval contained in IRS Announcement 2010-3 for a change in valuation software.

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

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

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan
Retirement Plan for Hourly Paid Employees of Specialty Granules

B Three-digit plan number (PN) ▶ 003

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
Specialty Granules LLC

D Employer Identification Number (EIN)
22-3807370

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1 Enter the valuation date: Month 1 Day 1 Year 2015

2 Assets:

a Market value	**2a**	6,233,215
b Actuarial value	**2b**	6,233,215

3 Funding target/participant count breakdown

	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	143	3,519,013	3,519,013
b For terminated vested participants	70	826,768	826,768
c For active participants	123	1,695,188	1,695,188
d Total	336	6,040,969	6,040,969

4 If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ]

a Funding target disregarding prescribed at-risk assumptions	**4a**	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	**4b**	
5 Effective interest rate	**5**	6.17 %
6 Target normal cost	**6**	166,000

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE

Abby L Kendig
Signature of actuary

8/23/16
Date

Abby L. Kendig
Type or print name of actuary

14-07706
Most recent enrollment number

Milliman, Inc.
Firm name

(973) 569-5615
Telephone number (including area code)

150 Clove Road
10th Floor
Little Falls NJ 07424
Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of Year Carryover and Prefunding Balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	336,857
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	53,361
9	Amount remaining (line 7 minus line 8)	0	283,496
10	Interest on line 9 using prior year's actual return of 5.09%	0	14430
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		0
	b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of 6.38%		0
	b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
	c Total available at beginning of current plan year to add to prefunding balance		0
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections		0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	297926

Part III Funding Percentages

14	Funding target attainment percentage	14	98.25 %
15	Adjusted funding target attainment percentage	15	103.18 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	101.35 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
			Totals ► 18(b)	0	18(c) 0

19	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
	a Contributions allocated toward unpaid minimum required contributions from prior years	19a	0
	b Contributions made to avoid restrictions adjusted to valuation date	19b	0
	c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	0

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No

c If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
4.72 %	6.11 %	6.81 %	☐ N/A, full yield curve used

b Applicable month (enter code)	21b	4
22 Weighted average retirement age	22	62

23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment		☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment		☒ Yes ☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment		☒ Yes ☐ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment	27	

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):		
a Target normal cost (line 6)	31a	166,000
b Excess assets, if applicable, but not greater than line 31a	31b	0

32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	105,680	17,575
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	183,575

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement		183,575	183,575

36 Additional cash requirement (line 34 minus line 35)	36	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	0
38 Present value of excess contributions for current year (see instructions)		
a Total (excess, if any, of line 37 over line 36)	38a	0
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0
40 Unpaid minimum required contributions for all years	40	0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:

a Schedule elected ☐ 2 plus 7 years ☐ 15 years

b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

42 Amount of acceleration adjustment	42	
43 Excess installment acceleration amount to be carried over to future plan years	43	

Retirement Plan for Hourly Paid Employees of
Specialty Granules Inc.

EIN #22-3807370 Plan #003

Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)

December 31, 2015

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Date	(d) Cost	(e) Current Value
	Cash Equivalents	BIF Money Fund	$ 546,287	$ 546,287
	Mutual Funds:			
	Equity Funds			
		Baron Growth Funds Ins	1,050,975	988,831
		Oakmark Global Select Fund I	1,031,186	1,006,058
		AMG Yacktman Focused Fund Inst	1,212,191	998,204
		First Eagle Global I	999,571	961,665
		Total equity funds	4,293,923	3,954,758
	Commingled Funds	FPA Crescent Fund	1,034,215	996,871
		Total commingled funds	1,034,215	996,871
		Total investments	$ 5,874,425	$ 5,497,916