# Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Annual Return/Report of Employee Benefit Plan

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

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

OMB Nos. 1210-0110
1210-0089

**2015**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

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

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

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

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

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

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

**1a** Name of plan
ADVANCED DERMATOLOGY 401(K) PLAN

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

**1c** Effective date of plan 07/01/1993

**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)
ADVANCED DERMATOLOGY, P.C.

6 LOWELL AVE.
NEW HYDE PARK, NY 11040

**2b** Employer Identification Number (EIN) 11-3211425

**2c** Plan Sponsor's telephone number 516-326-4160

**2d** Business code (see instructions) 621111

**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 | LAURA BEAN |
| | **Signature of plan administrator** | Date | Enter name of individual signing as plan administrator |
| **SIGN HERE** | | | |
| | **Signature of employer/plan sponsor** | Date | Enter name of individual signing as employer or plan sponsor |
| **SIGN HERE** | | | |
| | **Signature of DFE** | Date | Enter name of individual signing as DFE |

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

Preparer's telephone number

| | | | |
|---|---|---|---|
| **3a** | Plan administrator's name and address [X] Same as Plan Sponsor | **3b** | Administrator's EIN |
| | | **3c** | Administrator's telephone number |
| **4** | If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: | **4b** | EIN |
| **a** | Sponsor's name | **4c** | PN |

| | | | |
|---|---|---|---|
| **5** | Total number of participants at the beginning of the plan year | **5** | 207 |
| **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)** | 196 |
| **a(2)** | Total number of active participants at the end of the plan year | **6a(2)** | 228 |
| **b** | Retired or separated participants receiving benefits | **6b** | 0 |
| **c** | Other retired or separated participants entitled to future benefits | **6c** | 18 |
| **d** | Subtotal. Add lines **6a(2)**, **6b**, and **6c**. | **6d** | 246 |
| **e** | Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. | **6e** | 0 |
| **f** | Total. Add lines **6d** and **6e**. | **6f** | 246 |
| **g** | Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | 132 |
| **h** | Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 0 |
| **7** | Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | **7** | |

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

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

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

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

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

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

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

**a Pension Schedules**

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

**b General Schedules**

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

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

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

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

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

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

Receipt Confirmation Code_____

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

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

**A** Name of plan
ADVANCED DERMATOLOGY 401(K) PLAN

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

**C** Plan sponsor's name as shown on line 2a of Form 5500
ADVANCED DERMATOLOGY, P.C.

**D** Employer Identification Number (EIN)
11-3211425

## Part I Service Provider Information (see instructions)

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

### 1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

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

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

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 37 60 64 65 | RECORDKEEPER | 1750 | Yes [X] No [ ] | Yes [X] No [ ] | 0 | Yes [X] No [ ] |

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

MORGAN STANLEY SMITH BARNEY

HARBORSIDE FINANCIAL CTR PLAZA 2
2ND FL
JERSEY CITY, NJ 07311

| (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? |
|---|---|---|---|---|---|---|
| 61 | ADVISOR | 0 | Yes [X] No [ ] | Yes [X] No [ ] | 0 | Yes [X] No [ ] |

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

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

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

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

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

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

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

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

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

## Part I Service Provider Information (continued)

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

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

| **(d)** Enter name and EIN (address) of source of indirect compensation | | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|---|
| BLKRK EQUITY DIV A - BNY MELLON IN | P.O. BOX 9793<br>PROVIDENCE, RI 02940 | 0.25% |

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

| **(d)** Enter name and EIN (address) of source of indirect compensation | | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|---|
| BLKRK GLOBAL ALLOC A - BNY MELLON | P.O. BOX 9793<br>PROVIDENCE, RI 02940 | 0.25% |

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

| **(d)** Enter name and EIN (address) of source of indirect compensation | | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|---|
| CBA SM CAP GR A - BNY MELLON INV S | P.O. BOX 9793<br>PROVIDENCE, RI 02940 | 0.25% |

## Part I Service Provider Information (continued)

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

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

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| INVS INTL SM CO A - INVESCO CANADA<br>P.O. BOX 4739<br>HOUSTON, TX 77210 | 0.35% |

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

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| JANUS BALANCED S - JANUS SERVICES<br>43-1804048 | 0.25% |

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

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| JPM EQUITY IDX A - BOSTON FINANCIA<br>330 W. 9TH STREET<br>KANSAS CITY, MO 66160 | 0.05% |

## Part I Service Provider Information (continued)

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

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

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| JPM HIGH YIELD A - BOSTON FINANCIA P.O. BOX 8480 BOSTON, MA 02266 | 0.25% |

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

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| JPM SMART RET INC A - BOSTON FINAN P.O. BOX 8480 BOSTON, MA 02266 | 0.25% |

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

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| JPM SMART RET 2015 A - BOSTON FINA P.O. BOX 8480 BOSTON, MA 02266 | 0.25% |

## Part I Service Provider Information (continued)

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

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

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| JPM SMART RET 2020 A - BOSTON FINA P.O. BOX 8480 BOSTON, MA 02266 | 0.25% |

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

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| JPM SMART RET 2025 A - BOSTON FINA P.O. BOX 8480 BOSTON, MA 02266 | 0.25% |

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

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| JPM SMART RET 2030 A - BOSTON FINA P.O. BOX 8480 BOSTON, MA 02266 | 0.25% |

## Part I Service Provider Information (continued)

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

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

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| JPM SMART RET 2035 A - BOSTON FINA P.O. BOX 8480 BOSTON, MA 02266 | 0.25% |

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

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| JPM SMART RET 2040 A - BOSTON FINA P.O. BOX 8480 BOSTON, MA 02266 | 0.25% |

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

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| JPM SMART RET 2045 A - BOSTON FINA P.O. BOX 8480 BOSTON, MA 02266 | 0.25% |

## Part I Service Provider Information (continued)

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

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

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| JPM SMART RET 2050 A - BOSTON FINA P.O. BOX 8480 BOSTON, MA 02266 | 0.25% |

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

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| JPM SMART RET 2055 A - BOSTON FINA P.O. BOX 8480 BOSTON, MA 02266 | 0.25% |

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

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| NUVEEN REAL ESTATE A - BOSTON FINA P.O. BOX 8480 BOSTON, MA 02266 | 0.35% |

## Part I Service Provider Information (continued)

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

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

| **(d)** Enter name and EIN (address) of source of indirect compensation | | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|---|
| OPPHMR DEV MKTS A - OFI GLOBAL ASS | 225 LIBERTY STREET<br>NEW YORK, NY 10281 | 0.25% |

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

| **(d)** Enter name and EIN (address) of source of indirect compensation | | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|---|
| OPPHMR INTL GROWTH A - OFI GLOBAL | 225 LIBERTY STREET<br>NEW YORK, NY 10281 | 0.25% |

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

| **(d)** Enter name and EIN (address) of source of indirect compensation | | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|---|
| PIM TOTAL RETURN A - BOSTON FINANC | BFDS BUILDING, 30 DAN ROAD<br>CANTON, MA 02021 | 0.25% |

## Part I Service Provider Information (continued)

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

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

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| TEMPLETON FOREIGN A - FRANKLIN TEM<br><br>94-3167260 | 0.25% |

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

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| THORNBURG INT VAL R4 - BOSTON FINA P.O. BOX 8480<br>BOSTON, MA 02266 | 0.25% |

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

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| TMPL GLOBAL BOND A - FRANKLIN TEMP<br><br>94-3167260 | 0.25% |

## Part I Service Provider Information (continued)

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

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

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| WF PREC METALS A - BOSTON FINANCIA P.O. BOX 8480 BOSTON, MA 02266 | 0.30% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| MORGAN STANLEY SMITH BARNEY | 61 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| JPM HIGH YIELD A - JPMORGAN DISTRI<br><br>13-2624428 | $0-<$4M=0.75%, $4M-<$50M=0.50%, $50M+=0.25% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| MORGAN STANLEY SMITH BARNEY | 61 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| JPM SMART RET INC A - JPMORGAN DIS<br><br>13-2624428 | $0-<$4M=1.00%, $4M-<$10M=0.75%, $10M-<$50M=0.50%, $50M+=0.25% |

## 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 |
|---|---|---|
| MORGAN STANLEY SMITH BARNEY | 61 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| JPM SMART RET 2015 A - JPMORGAN DI<br><br>13-2624428 | $0-<$4M=1.00%, $4M-<$10M=0.75%, $10M-<$50M=0.50%, $50M+=0.25% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| MORGAN STANLEY SMITH BARNEY | 61 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| JPM SMART RET 2020 A - JPMORGAN DI<br><br>13-2624428 | $0-<$4M=1.00%, $4M-<$10M=0.75%, $10M-<$50M=0.50%, $50M+=0.25% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| MORGAN STANLEY SMITH BARNEY | 61 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| JPM SMART RET 2025 A - JPMORGAN DI<br><br>13-2624428 | $0-<$4M=1.00%, $4M-<$10M=0.75%, $10M-<$50M=0.50%, $50M+=0.25% |

## 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 |
|---|---|---|
| MORGAN STANLEY SMITH BARNEY | 61 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| JPM SMART RET 2030 A - JPMORGAN DI<br><br>13-2624428 | $0-<$4M=1.00%, $4M-<$10M=0.75%, $10M-<$50M=0.50%, $50M+=0.25% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| MORGAN STANLEY SMITH BARNEY | 61 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| JPM SMART RET 2035 A - JPMORGAN DI<br><br>13-2624428 | $0-<$4M=1.00%, $4M-<$10M=0.75%, $10M-<$50M=0.50%, $50M+=0.25% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| MORGAN STANLEY SMITH BARNEY | 61 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| JPM SMART RET 2040 A - JPMORGAN DI<br><br>13-2624428 | $0-<$4M=1.00%, $4M-<$10M=0.75%, $10M-<$50M=0.50%, $50M+=0.25% |

## 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 |
|---|---|---|
| MORGAN STANLEY SMITH BARNEY | 61 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| JPM SMART RET 2045 A - JPMORGAN DI<br><br>13-2624428 | $0-<$4M=1.00%, $4M-<$10M=0.75%, $10M-<$50M=0.50%, $50M+=0.25% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| MORGAN STANLEY SMITH BARNEY | 61 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| JPM SMART RET 2050 A - JPMORGAN DI<br><br>13-2624428 | $0-<$4M=1.00%, $4M-<$10M=0.75%, $10M-<$50M=0.50%, $50M+=0.25% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| MORGAN STANLEY SMITH BARNEY | 61 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| OPPHMR DEV MKTS A - OPPENHEIMERFUN<br><br>13-2953455 | $5M+=0.25% |

## 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 |
|---|---|---|
| MORGAN STANLEY SMITH BARNEY | 61 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| OPPHMR INTL GROWTH A - OPPENHEIMER<br><br>13-2953455 | $5M+=0.25% |

| **(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 D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

## DFE/Participating Plan Information

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

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

OMB No. 1210-0110

**2015**

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

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

**A** Name of plan
ADVANCED DERMATOLOGY 401(K) PLAN

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

**C** Plan or DFE sponsor's name as shown on line 2a of Form 5500
ADVANCED DERMATOLOGY, P.C.

**D** Employer Identification Number (EIN)
11-3211425

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

**a** Name of MTIA, CCT, PSA, or 103-12 IE: FA STABLE VALUE

**b** Name of sponsor of entity listed in (a): FIDELITY MANAGEMENT TRUST COMPANY

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| 04-3022712-026 | C | 388804 |

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

**b** Name of sponsor of entity listed in (a):

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

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

**b** Name of sponsor of entity listed in (a):

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

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

**b** Name of sponsor of entity listed in (a):

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

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

**b** Name of sponsor of entity listed in (a):

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

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

**b** Name of sponsor of entity listed in (a):

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

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

**b** Name of sponsor of entity listed in (a):

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

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

**b** Name of sponsor of entity listed in (a):

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

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

**b** Name of sponsor of entity listed in (a):

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

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

**b** Name of sponsor of entity listed in (a):

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

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

**b** Name of sponsor of entity listed in (a):

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

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

**b** Name of sponsor of entity listed in (a):

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

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

**b** Name of sponsor of entity listed in (a):

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

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

**b** Name of sponsor of entity listed in (a):

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

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

**b** Name of sponsor of entity listed in (a):

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

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

**b** Name of sponsor of entity listed in (a):

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

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

**b** Name of sponsor of entity listed in (a):

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

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

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

# SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Financial Information

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

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

OMB No. 1210-0110

**2015**

**This Form is Open to Public Inspection**

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

**A** Name of plan
ADVANCED DERMATOLOGY 401(K) PLAN

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

**C** Plan sponsor's name as shown on line 2a of Form 5500
ADVANCED DERMATOLOGY, P.C.

**D** Employer Identification Number (EIN)
11-3211425

## Part I Asset and Liability Statement

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

| Assets | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **a** Total noninterest-bearing cash | 1a | 0 | 0 |
| **b** Receivables (less allowance for doubtful accounts): | | | |
| **(1)** Employer contributions | 1b(1) | 0 | 0 |
| **(2)** Participant contributions | 1b(2) | 0 | 0 |
| **(3)** Other | 1b(3) | 0 | 0 |
| **c** General investments: | | | |
| **(1)** Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | 0 | 0 |
| **(2)** U.S. Government securities | 1c(2) | 0 | 0 |
| **(3)** Corporate debt instruments (other than employer securities): | | | |
| **(A)** Preferred | 1c(3)(A) | 0 | 0 |
| **(B)** All other | 1c(3)(B) | 0 | 0 |
| **(4)** Corporate stocks (other than employer securities): | | | |
| **(A)** Preferred | 1c(4)(A) | 0 | 0 |
| **(B)** Common | 1c(4)(B) | 0 | 0 |
| **(5)** Partnership/joint venture interests | 1c(5) | 0 | 0 |
| **(6)** Real estate (other than employer real property) | 1c(6) | 0 | 0 |
| **(7)** Loans (other than to participants) | 1c(7) | 0 | 0 |
| **(8)** Participant loans | 1c(8) | 90283 | 113851 |
| **(9)** Value of interest in common/collective trusts | 1c(9) | 572211 | 388804 |
| **(10)** Value of interest in pooled separate accounts | 1c(10) | 0 | 0 |
| **(11)** Value of interest in master trust investment accounts | 1c(11) | 0 | 0 |
| **(12)** Value of interest in 103-12 investment entities | 1c(12) | 0 | 0 |
| **(13)** Value of interest in registered investment companies (e.g., mutual funds) | 1c(13) | 4349385 | 4583529 |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | | |
| **(15)** Other | 1c(15) | 0 | 0 |

| | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **1d** Employer-related investments: | | | |
| **(1)** Employer securities | 1d(1) | 0 | 0 |
| **(2)** Employer real property | 1d(2) | 0 | 0 |
| **e** Buildings and other property used in plan operation | 1e | 0 | 0 |
| **f** Total assets (add all amounts in lines 1a through 1e) | 1f | 5011879 | 5086184 |
| **Liabilities** | | | |
| **g** Benefit claims payable | 1g | 0 | 0 |
| **h** Operating payables | 1h | 0 | 0 |
| **i** Acquisition indebtedness | 1i | 0 | 0 |
| **j** Other liabilities | 1j | 0 | 0 |
| **k** Total liabilities (add all amounts in lines 1g through1j) | 1k | 0 | 0 |
| **Net Assets** | | | |
| **l** Net assets (subtract line 1k from line 1f) | 1l | 5011879 | 5086184 |

## 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) | 1567 | |
| **(B)** Participants | 2a(1)(B) | 436211 | |
| **(C)** Others (including rollovers) | 2a(1)(C) | 3744 | |
| **(2)** Noncash contributions | 2a(2) | 0 | |
| **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 441522 |
| **b Earnings on investments:** | | | |
| **(1)** Interest: | | | |
| **(A)** Interest-bearing cash (including money market accounts and certificates of deposit) | 2b(1)(A) | 0 | |
| **(B)** U.S. Government securities | 2b(1)(B) | 0 | |
| **(C)** Corporate debt instruments | 2b(1)(C) | 0 | |
| **(D)** Loans (other than to participants) | 2b(1)(D) | 0 | |
| **(E)** Participant loans | 2b(1)(E) | 4039 | |
| **(F)** Other | 2b(1)(F) | 0 | |
| **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 4039 |
| **(2)** Dividends: **(A)** Preferred stock | 2b(2)(A) | 0 | |
| **(B)** Common stock | 2b(2)(B) | 0 | |
| **(C)** Registered investment company shares (e.g. mutual funds) | 2b(2)(C) | 185059 | |
| **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | 185059 |
| **(3)** Rents | 2b(3) | | 0 |
| **(4)** Net gain (loss) on sale of assets: **(A)** Aggregate proceeds | 2b(4)(A) | 0 | |
| **(B)** Aggregate carrying amount (see instructions) | 2b(4)(B) | 0 | |
| **(C)** Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result | 2b(4)(C) | | 0 |
| **(5)** Unrealized appreciation (depreciation) of assets: **(A)** Real estate | 2b(5)(A) | 0 | |
| **(B)** Other | 2b(5)(B) | 0 | |
| **(C)** Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)** | 2b(5)(C) | | 0 |

| | | (a) Amount | (b) Total |
|---|---|---|---|
| **(6)** Net investment gain (loss) from common/collective trusts | 2b(6) | | -2143 |
| **(7)** Net investment gain (loss) from pooled separate accounts | 2b(7) | | 0 |
| **(8)** Net investment gain (loss) from master trust investment accounts | 2b(8) | | 0 |
| **(9)** Net investment gain (loss) from 103-12 investment entities | 2b(9) | | 0 |
| **(10)** Net investment gain (loss) from registered investment companies (e.g., mutual funds) | 2b(10) | | -263373 |
| **c** Other income | 2c | | 0 |
| **d** Total income. Add all **income** amounts in column (b) and enter total | 2d | | 365104 |
| **Expenses** | | | |
| **e** Benefit payment and payments to provide benefits: | | | |
| **(1)** Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 289150 | |
| **(2)** To insurance carriers for the provision of benefits | 2e(2) | 0 | |
| **(3)** Other | 2e(3) | 0 | |
| **(4)** Total benefit payments. Add lines **2e(1)** through **(3)** | 2e(4) | | 289150 |
| **f** Corrective distributions (see instructions) | 2f | | 0 |
| **g** Certain deemed distributions of participant loans (see instructions) | 2g | | -101 |
| **h** Interest expense | 2h | | 0 |
| **i** Administrative expenses: **(1)** Professional fees | 2i(1) | 0 | |
| **(2)** Contract administrator fees | 2i(2) | 0 | |
| **(3)** Investment advisory and management fees | 2i(3) | 0 | |
| **(4)** Other | 2i(4) | 1750 | |
| **(5)** Total administrative expenses. Add lines **2i(1)** through **(4)** | 2i(5) | | 1750 |
| **j** Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 290799 |
| **Net Income and Reconciliation** | | | |
| **k** Net income (loss). Subtract line **2j** from line **2d** | 2k | | 74305 |
| **l** Transfers of assets: | | | |
| **(1)** To this plan | 2l(1) | | 0 |
| **(2)** From this plan | 2l(2) | | |

## Part III Accountant's Opinion

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

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

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

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

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

**(1)** Name: GETTRY MARCUS CPA, PC **(2)** EIN: 13-3418879

**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 | | | 50024 |
| **b** Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) | 4b | | X | | |

| | | | Yes | No | N/A | Amount |
|---|---|---|---|---|---|---|
| c | Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) | 4c | | X | | |
| d | Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) | 4d | | X | | |
| e | Was this plan covered by a fidelity bond? | 4e | X | | | 500000 |
| f | Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | 4f | | X | | |
| g | Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? | 4g | | X | | |
| h | Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? | 4h | | X | | |
| i | Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) | 4i | X | | | |
| j | Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.) | 4j | | X | | |
| k | Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? | 4k | | X | | |
| l | Has the plan failed to provide any benefit when due under the plan? | 4l | | X | | |
| m | If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) | 4m | | X | | |
| n | If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. | 4n | | X | | |
| o | Did the plan trust incur unrelated business taxable income? | 4o | | | | |
| p | Were in-service distributions made during the plan year? | 4p | | | | |

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

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

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

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

## Part V Trust Information

| **6a** Name of trust | **6b** Trust's EIN |
|---|---|
| | |

| **6c** Name of trustee or custodian | **6d** Trustee's or custodian's telephone number |
|---|---|
| | |

# SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Retirement Plan Information

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

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

OMB No. 1210-0110

**2015**

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

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

**A** Name of plan
ADVANCED DERMATOLOGY 401(K) PLAN

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

**C** Plan sponsor's name as shown on line 2a of Form 5500
ADVANCED DERMATOLOGY, P.C.

**D** Employer Identification Number (EIN)
11-3211425

## Part I Distributions

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

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

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

EIN(s): 04-6568107

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

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

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

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

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

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

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

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

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

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

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

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

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

## Part III Amendments

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

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

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

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

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

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

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

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

**a** Name of contributing employer

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

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

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

---

**a** Name of contributing employer

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

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

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

---

**a** Name of contributing employer

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

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

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

---

**a** Name of contributing employer

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

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

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

---

**a** Name of contributing employer

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

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

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

---

**a** Name of contributing employer

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

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

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

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

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

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

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

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

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

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

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

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

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

**a** Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

**b** Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

**c** What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

## Part VII IRS Compliance Questions

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

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

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

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

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

# ADVANCED DERMATOLOGY 401(K) PLAN

## FINANCIAL STATEMENTS

## YEARS ENDED DECEMBER 31, 2015 AND 2014

**Advanced Dermatology 401(k) Plan**

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# Independent Auditor's Report

To the Plan Administrator
Advanced Dermatology 401(k) Plan

## Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Advanced Dermatology 401(k) Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2015 and 2014, and the related statements of changes in net assets available for benefits for the 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 accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

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

## Basis for Disclaimer of Opinion

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

## Disclaimer of Opinion

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

**Emphasis of Matter**

As more fully discussed in Note 2 to the accompanying financial statements, in 2015 the Plan adopted new accounting and disclosure guidance related to its investments. Prior and current year accounting and disclosures have been revised to reflect the retrospective application of adopting these changes in accounting and disclosure. Our opinion is not modified with respect to this matter.

**Other Matter**

The supplemental schedules, appearing on pages 14 to 16 as of December 31, 2015 are required by the Department of Labor (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis, and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on these supplemental schedules.

**Report on Form and Content in Compliance With DOL Rules and Regulations**

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

Gettry Marcus CPA, P.C.

Gettry Marcus CPA, P.C.
Woodbury, New York
October 13, 2016

**Advanced Dermatology 401(k) Plan**
**Statements of Net Assets Available for Benefits**
**December 31, 2015 and 2014**

| | 2015 | 2014 As adjusted (Note 2) |
|---|---|---|
| **Assets** | | |
| **Investments - at fair value** | $ 4,972,333 | $ 4,921,596 |
| **Notes receivable from participants** | 113,851 | 90,283 |
| **Net assets available for benefits** | $ 5,086,184 | $ 5,011,879 |

See notes to financial statements.

**Advanced Dermatology 401(k) Plan**
**Statements of Changes in Net Assets Available for Benefits**
**Years Ended December 31, 2015 and 2014**

| | 2015 | 2014 As adjusted (Note 2) |
|---|---|---|
| **Additions:** | | |
| **Additions to net assets attributed to:** | | |
| **Investment income** | | |
| Dividends | $ 185,059 | $ 241,634 |
| Net appreciation (deprecition) in fair value of investments | (263,950) | 59,232 |
| **Total investment income (loss)** | (78,891) | 300,866 |
| **Interest income on notes receivable from participants** | 4,039 | 3,667 |
| **Contributions** | | |
| Participants | 436,211 | 380,409 |
| Rollovers | 3,744 | - |
| **Total contributions** | 439,955 | 380,409 |
| **Total additions** | 365,103 | 684,942 |
| **Deductions:** | | |
| **Deductions from net assets attributed to:** | | |
| Benefits paid to participants | 289,048 | 18,913 |
| Administrative expenses | 1,750 | 1,244 |
| **Total deductions** | 290,798 | 20,157 |
| **Net increase** | 74,305 | 664,785 |
| **Net assets available for benefits** | | |
| **Beginning of year** | 5,011,879 | 4,347,094 |
| **End of year** | $ 5,086,184 | $ 5,011,879 |

See notes to financial statements.

## Note 1 - Description of Plan

The following brief description of Advanced Dermatology 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

*General*
The Plan is a defined contribution plan established effective January 1, 1993. Effective January 1, 2008, the Plan was restated to a volume submitter defined contribution plan with Fidelity Management Trust Company ("Fidelity"), the trustee of the Plan. The Plan was amended and restated August 7, 2014, and includes all eligible employees of Advanced Dermatology, P.C., all eligible employees of Advanced Dermatology of NJ, P.C., effective October 21, 2009, and all eligible employees of Kahn Dermatology PLC., effective July 29, 2015, who have completed three consecutive full calendar months of employment and attained the age of 21, who are not classified as filers, clerks, drivers, and archivers, a nonresident alien with no income from a U.S. source, a resident of Puerto Rico or covered by a collective bargaining agreement. The above companies are collectively referred to as the "Company". The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended. The Plan administrator of the Company is responsible for oversight of the Plan. Management of the Company determines the appropriateness of the Plan's investment offerings, monitors investment performance and reports to the Plan administrator of the Company.

*Contributions*
Participants may contribute a pre-tax amount equal to not less than 1 percent and not more than 100 percent, of their pretax annual compensation, as defined into the Plan. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans (rollover). The Plan accepts Roth Elective Deferrals made on behalf of participants. Effective June 2014, the Plan includes an auto-enrollment provision whereby all newly eligible employees are automatically enrolled in the Plan unless they affirmatively elect not to participate in the Plan. Automatically enrolled participants have their deferral rate set at 3 percent of eligible compensation and their contributions invested in a lifecycle fund until changed by the participant. The Plan also provides, as amended in June 2014, for an annual increase program for any employee who is automatically enrolled in the Plan whereby the employee's contribution percentage will be increased by 1 percent annually until they reach their plan limit. The Company may elect to contribute a matching contribution or a non-elective employer discretionary contribution. Participants direct the investment of their contributions and the employer matching contributions into various investment options offered by the Plan. Contributions are subject to certain Internal Revenue Service ("IRS") limitations. For the years ended December 31, 2015 and 2014, the Company made no matching or discretionary contributions into the Plan.

*Participant Accounts*
Each participant's account is credited with the participant's contributions and the Company's elective matching as well as an allocation of (a) the non-elective employer discretionary (b) Plan earnings and losses, and (c) an allocation of Plan expenses. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined. Allocation of the employer's discretionary contribution is based on the ratio of the participant's compensation to total eligible compensation, as defined in the Plan. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

## Note 1 - Description of Plan (continued)

*Vesting*
Participants are vested immediately in their voluntary contributions and the non-elective employer non-discretionary contribution plus actual earnings thereon. The vesting in the Company's elective matching contribution portion of the participants' accounts is based on years of continuous service. A participant is vested in their allocated discretionary contribution account with a six-year graduated vesting schedule. However, if an active participant dies or becomes totally and permanently disabled prior to attaining the normal retirement age, the participant's account becomes 100 percent vested.

A participants' vested interest in the Company's elective matching contribution shall be determined in accordance with the following schedule:

| Years of Vesting Service | Vested Interest |
|---|---|
| Less than 2 | 0% |
| 2 but less than 3 | 20% |
| 3 but less than 4 | 40% |
| 4 but less than 5 | 60% |
| 5 but less than 6 | 80% |
| 6 or more | 100% |

*Forfeited Accounts*
Forfeitures of non-vested accounts are used to reduce plan expenses and contributions by the Company. There were no forfeited non-vested accounts at December 31, 2015 and 2014.

*Payment of Benefits*
On termination of service, due to death, disability or retirement, a participant with a vested interest over $5,000 may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account. If the vested interest is less than $5,000, or for termination of services for other reasons, a participant shall receive the value of the vested interest in his or her account as a lump-sum distribution. Distributions are subject to the applicable provisions of the Plan agreement.

*Notes Receivable from Participants*
Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50 percent of their vested account balance. Loan terms range from 1-5 years or a longer repayment period allowed by the administrator for the purchase of a primary residence. The loans are secured by the balance in the participant's account and bear interest at a rate of 4.25%, which is commensurate with local prevailing rates as determined quarterly by the Plan administrator. Principal and interest are paid ratably through bi-weekly payroll deductions.

## Note 2 - Summary of Significant Accounting Policies

In May 2015, the FASB issued ASU 2015-07, Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or its Equivalent), which exempts investments measured using the net asset value (NAV) practical expedient in ASC 820, Fair Value Measurement, from categorization within the fair value hierarchy. The guidance requires retrospective application and is effective for public business entities for fiscal years, and interim periods within those years, beginning after December 15, 2015. For all other entities, the guidance is effective for fiscal years, and interim periods within those years, beginning after December 15, 2015. Early adoption is permitted. The Plan administrator elected to early adopt the provisions of this new standard. Accordingly, the amendment was retrospectively applied resulting in a change in the fair value of investment disclosures.

**Note 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 Benefits Plans (Topic 965): (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, (Part III) Measurement Date Practical Expedient. Part I eliminates the requirements to measure the fair value of fully benefit-responsive investment contracts and provide certain disclosures. Contract value is the only required measure for fully benefit-responsive investment contracts. Part II eliminates the requirements to disclose individual investments that represent 5 percent or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. Part II 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 III is not applicable to the Plan. The ASU is effective for fiscal years beginning after December 15, 2015, with early adoption permitted, and is to be applied retrospectively. During 2015, the Plan administrator elected to early adopt Parts I and II of this new standard with retrospective effect for 2014. Accordingly, the amendment was retrospectively applied resulting in the measurement of the investment in the stable value portfolio pooled separate account to be carried at fair value and the elimination of certain related disclosures.

The adoption of the aforementioned ASU's (i.e., ASU 2015-07 and ASU 2015-12) on a retrospective basis (i.e., as of January 1, 2014), had the following impact on the 2014 statement of net assets available for benefits and the 2014 statement of changes in the net assets available for benefits (as well as related footnote disclosures):

| | Effect of Change in Accounting Principles | | |
|---|---|---|---|
| As of and for the Year Ended December 31, 2014 | As Originally Reported | As Adjusted | Effect of Change |
| Statement of Changes in Net Assets Available for Benefits | | | |
| Net appreciation in fair value of investments | $ 55,615 | $ 59,232 | $ 3,617 |
| Net assets available for benefits – beginning of year | 4,340,731 | 4,347,094 | 6,363 |
| Net assets available for benefits – end of year | 5,001,899 | 5,011,879 | 9,980 |
| Net increase | 661,168 | 664,785 | 3,617 |
| Statement of Net Assets Available for Benefits | | | |
| Adjustment from fair value to contract value for fully benefit-responsive investment contracts | 9,980 | - | 9,980 |
| Net assets available for benefits | 5,001,899 | 5,011,879 | 9,980 |

## Note 2 - Summary of Significant Accounting Policies (continued)

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

*Use of Estimates*
The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

*Investment Valuation and Income Recognition*
Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Management of the Company determines the Plan's valuation policies utilizing information provided by the Plan's investment advisors, custodians and insurance company.

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

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

*Payment of Benefits*
Benefits are recorded when paid by the Plan.

*Administrative Expenses*
The Plan's expenses are paid either by the Plan or the Company as provided by the Plan agreement. Certain administrative expenses of the Plan that are paid by the Plan are recorded as deductions in the accompanying statements of net assets available for benefits. Expenses that are paid by the Company are excluded from these financial statements. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net appreciation of fair value of investments.

*Subsequent Events*
The Plan has evaluated subsequent events for potential recognition or disclosure in the financial statements through October 13, 2016, the date the financial statements were available to be issued.

## Note 3 - Investments

Certain information related to investments and notes receivable from participants disclosed in the accompanying financial statement and supplemental schedules, including investments and notes receivable from participants held at December 31, 2015 and 2014, and net appreciation (depreciation) in the fair value of investments, interest and dividends for the years then ended, was obtained and derived from information supplied to the Plan administrator and certified as complete and accurate by Fidelity.

The assets of the Plan are invested at the direction of the participants in various investment funds at December 31, 2015 and 2014. On June 16, 2014 the Plan's investment options were changed from Fidelity Funds to JP Morgan Funds.

## Note 4 – Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The levels of the hierarchy and those investments included in each are as follows:

| | |
|---|---|
| Level 1 | Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access. |
| Level 2 | Inputs to the valuation methodology include<br>• Quoted prices for similar assets or liabilities in active markets;<br>• Quoted prices for identical or similar assets or liabilities in inactive markets;<br>• Inputs other than quoted prices that are observable for the asset or liability;<br>• Inputs that are derived principally from or corroborated by observable market data by correlation or other means.<br>If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the assets or liability. |
| Level 3 | Inputs to the valuation methodology are unobservable and significant to the fair value measurement. |

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

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

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

**Note 4 - Fair Value Measurements (continued)**

*Common/collective trust Fidelity Advisor Stable Value Portfolio ("Stale Value Fund")*: The Stable Value Fund, common collective pooled trust, is primarily composed of non-convertible bonds, U.S. Government and Government agency obligations, asset-backed securities, commercial mortgage securities and wraps, and is valued at the net asset value ("NAV") of the entity. The NAV is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the Stable Value Fund less its liabilities. This practical expedient would not be used if it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV.

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

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2015 and 2014:

| | Investments at Fair Value as of December 31, 2015 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Mutual funds | $ 4,583,529 | $ - | $ - | $ 4,583,529 |
| Investment measured at NAV (a) | - | - | - | 388,804 |
| Total investments at fair value | $ 4,583,529 | $ - | $ - | $ 4,972,333 |

| | Investments at Fair Value as of December 31, 2014 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Mutual funds | $ 4,349,385 | $ - | $ - | $ 4,349,385 |
| Investment measured at NAV (a) | - | - | - | 572,211 |
| Total investments at fair value | $ 4,349,385 | $ - | $ - | $ 4,921,596 |

(a) In accordance with ASU 2015-07, certain investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statement of net assets available for benefits.

**Note 4 - Fair Value Measurements (continued)**

**Fair Value of Investments in Entities that Use NAV**

The following table summarizes the investments measured at fair value based on NAV per shares as of December 31, 2015 and 2014, respectively.

| December 31, 2015 | Fair Value | Unfunded Commitments | Redemption Frequency (if currently eligible) | Redemption Notice Period |
|---|---|---|---|---|
| Stable Value Fund | $388,804 | n/a | Daily | 1-90 Days |

| December 31, 2014 | Fair Value | Unfunded Commitments | Redemption Frequency (if currently eligible) | Redemption Notice Period |
|---|---|---|---|---|
| Stable Value Fund | $572,211 | n/a | Daily | 1-90 Days |

**Note 5 – Restrictions of Stable Value Fund**

Withdrawals to accommodate participant distributions may be made on any business day. Withdrawals made by participants for investment in another fund may be held in a non-competing investment option for up to 90 days if it were to be directed to a competing fund. Were the Plan to initiate a full redemption of its investment in the Stable Value Fund, the investment adviser reserves the right to require 12 months notification in order to ensure that securities liquidations will be carried out in an orderly business manner.

**Note 6 - Plan Termination**

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

**Note 7 - Tax Status**

The Internal Revenue Service ("IRS") has determined and informed Fidelity by a letter dated March 31, 2014 that the volume submitted Plan and related trust are designed in accordance with the applicable sections of the Internal Revenue Code ("IRC") which indicated that the defined contribution plan adopted by the Company is qualified. Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified, and the related trust is tax exempt.

U.S. GAAP requires Plan management to evaluate tax positions taken by the plan and recognize a tax liability if the plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator have analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2015, no uncertain positions are taken or are expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan's administrator believes it is no longer subject to tax examinations for years prior to 2012.

## Note 8 - Related Party Transactions

The investments owned by the Plan are managed by Fidelity, the trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. Fees incurred by the Plan for the investment management services are included in net appreciation in fair value of investments, as they are paid by revenue sharing, rather than direct payment.

The Plan made direct payments to the third party administrator of $1,750 and $1,244 for the years ended December 31, 2015 and 2014, respectively; which was not covered by revenue sharing. The Company pays directly any other fees related to the Plan's operations.

## Note 9 - Risks and Uncertainties

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

## Note 10 – Untimely Participant Contributions

During 2015, and 2014, the Company failed to remit to the Plan's trustee certain employee contributions and loan repayments within the period prescribed by Department of Labor regulations resulting in nonexempt prohibited transactions. Under the regulations, amounts withheld by an employer from a participant's wages for contribution and loan repayments to a plan are plan assets on the earliest date that they can reasonably be segregated from the employer's general assets. The Company intends to make contributions to the affected participants' accounts to compensate those participants for potential lost income due to the untimely remittances. Management believes that the lost earnings due to the untimely remittances will not be material to the Plan's financial statements as of and for the years ended December 31, 2015 and 2014. The 2014 untimely contributions of $171,738, resulting in lost earnings of $1,567, was received by the Plan on October 7, 2015 and is included in investment income in the statement of changes in net assets available for benefits. The 2015 untimely contributions of $54,470, resulting in lost earnings of $123, was received by the Plan in September 2016.

## Note 11– Employee Eligibility

During 2015, the Company allowed entry into the Plan certain classes of employees who were ineligible to participate. The Plan has such been amended to allow entry for these classes (see Note 12).

## Note 12– Subsequent Event

Effective January 1, 2016, the Plan was amended to include all eligible employees of MD Alliance Solutions LLC. Effective June 2, 2016, the Plan was amended to include all eligible employees of City Dermatology, P.C., and to allow entry into the Plan for those employees classified as clerks and archivers.

**Supplementary Information**

**Advanced Dermatology 401(k) Plan**
**PN: 001 EIN: 11-3211425**
**2014 Form 5500 Schedule H, Part IV, Line 4(a)**
**Schedule of Delinquent Participant Contributions**
**Year Ended December 31, 2014**

| Check Here If Late Participant Loan Repayments Are Included | Participant Contributions Transferred Late to the Plan | | | Total That Constitute Nonexempt Prohibited Transactions | | | |
|---|---|---|---|---|---|---|---|
| | Date Withheld | Date Remitted | Amount | Contributions Not Corrected | Contributions Corrected Outside | Contributions Pending Correction | Total Fully Corrected Under VFCP and |
| ✓ | 1/3/2014 | 1/9/2014 | $ 15,924.95 | $ - | $ 15,924.95 | $ - | $ - |
| ✓ | 1/17/2014 | 1/30/2014 | 17,402.63 | - | 17,402.63 | - | - |
| ✓ | 2/14/2014 | 2/20/2014 | 16,988.46 | - | 16,988.46 | - | - |
| ✓ | 2/28/2014 | 3/10/2014 | 16,315.02 | - | 16,315.02 | - | - |
| ✓ | 5/9/2014 | 5/21/2014 | 17,024.88 | - | 17,024.88 | - | - |
| ✓ | 6/6/2014 | 6/19/2014 | 15,356.23 | - | 15,356.23 | - | - |
| ✓ | 7/3/2014 | 7/11/2014 | 15,050.84 | - | 15,050.84 | - | - |
| | 7/3/2014 | 9/30/2014 | 35.34 | - | 35.34 | - | - |
| ✓ | 7/18/2014 | 9/2/2014 | 21,334.07 | - | 21,334.07 | - | - |
| ✓ | 8/1/2014 | 8/15/2014 | 18,363.84 | - | 18,363.84 | - | - |
| ✓ | 8/29/2014 | 9/11/2014 | 17,641.58 | - | 17,641.58 | - | - |
| | 12/5/2014 | 12/19/2014 | 300.00 | - | 300.00 | - | - |
| | | | $ 171,737.84 | $ - | $ 171,737.84 | $ - | $ - |

* The Company has calculated lost earnings on the untimely remittances and has made contributions to the affected participant's account on October 7, 2015

See independent auditor's report.

**Advanced Dermatology 401(k) Plan**
**PN: 001 EIN: 11-3211425**
**2014 Form 5500 Schedule H, Part IV, Line 4(a)**
**Schedule of Delinquent Participant Contributions**
**Year Ended December 31, 2015**

| Check Here If Late Participant Loan Repayments Are Included | Participant Contributions Transferred Late to the Plan | | | Total That Constitute Nonexempt Prohibited Transactions | | | |
|---|---|---|---|---|---|---|---|
| | Date Withheld | Date Remitted | Amount | Contributions Not Corrected | Contributions Corrected Outside VFCP - * | Contributions Pending Correction in VFCP | Total Fully Corrected Under VFCP and PTE 2002-51 |
| ✓ | 2/13/2015 | 2/24/2015 | $ 17,657.22 | $ - | $ 17,657.22 | $ - | $ - |
| ✓ | 5/8/2015 | 5/27/2015 | 18,622.55 | - | 18,622.55 | - | - |
| ✓ | 5/22/2015 | 5/29/2015 | 18,190.60 | - | 18,190.60 | - | - |
| | | | $ 54,470.37 | $ - | $ 54,470.37 | $ - | $ - |

* The Company has calculated lost earnings on the untimely remittances and has made contributions to the affected participant's account on September 10, 2016

**Advanced Dermatology 401(k) Plan**
**PN: 001 EIN: 11-3211425**
**Form 5500 Schedule H, Part IV, 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 value | (d) Cost** | (e) Current Value |
|---|---|---|---|---|
| * | Fidelity Management Trust Company | FA Stable Value Portfolio | | $ 388,804 |
| * | Fidelity Management Trust Company | JMP Smart Ret 2020 A | | 945,746 |
| * | Fidelity Management Trust Company | JMP Smart Ret 2030 A | | 832,754 |
| * | Fidelity Management Trust Company | JMP Smart Ret 2040 A | | 320,398 |
| * | Fidelity Management Trust Company | FA New Insights A | | 107,696 |
| * | Fidelity Management Trust Company | JMP Smart Ret 2015 A | | 49,675 |
| * | Fidelity Management Trust Company | JMP Smart Ret 2025 A | | 719,114 |
| * | Fidelity Management Trust Company | JMP Smart Ret 2035 A | | 578,139 |
| * | Fidelity Management Trust Company | JMP Smart Ret 2045 A | | 206,490 |
| * | Fidelity Management Trust Company | JMP Smart Ret 2050 A | | 29,643 |
| * | Fidelity Management Trust Company | JMP Smart Ret 2055 A | | 11,082 |
| * | Fidelity Management Trust Company | JMP Smart Ret Inc A | | 9,721 |
| * | Fidelity Management Trust Company | Templeton Foreign A | | 17,381 |
| * | Fidelity Management Trust Company | TMPL Global Bond A | | 26,229 |
| * | Fidelity Management Trust Company | Opphmr Intl Growth A | | 5,146 |
| * | Fidelity Management Trust Company | Nuveen Real Estate A | | 81,171 |
| * | Fidelity Management Trust Company | BLKRK Global Alloc A | | 43,676 |
| * | Fidelity Management Trust Company | BLKRK Equity Div A | | 53,690 |
| * | Fidelity Management Trust Company | Thornburg Int Val R4 | | 4,670 |
| * | Fidelity Management Trust Company | PIM Total Return A | | 42,390 |
| * | Fidelity Management Trust Company | JPM High Yield A | | 22,706 |
| * | Fidelity Management Trust Company | JPM Equity IDX A | | 254,326 |
| * | Fidelity Management Trust Company | Opphmr Dev Mkts A | | 94,166 |
| * | Fidelity Management Trust Company | WF Prec Metals A | | 14,877 |
| * | Fidelity Management Trust Company | CBA Sm Cap Gr A | | 45,772 |
| * | Fidelity Management Trust Company | Invs Intl Sm Co A | | 686 |
| * | Fidelity Management Trust Company | Janus Balanced S | | 903 |
| * | Fidelity Management Trust Company | FA Strat Income A | | 16,214 |
| * | Fidelity Management Trust Company | FA Lev Co Stock A | | 49,068 |
| | | | | 4,972,333 |
| * | Notes receivable from participants | Interest rates of 4.25% , various maturity dates, secured by participants' account balances. | | 113,851 |
| | Total | | | $ 5,086,184 |

* Indicates an identified person known to be a party-in-interest to the Plan.

** Cost not required (investments are particiant directed).

# ADVANCED DERMATOLOGY 401(K) PLAN

## FINANCIAL STATEMENTS

## YEARS ENDED DECEMBER 31, 2015 AND 2014

**Advanced Dermatology 401(k) Plan**

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# Independent Auditor's Report

To the Plan Administrator
Advanced Dermatology 401(k) Plan

## Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Advanced Dermatology 401(k) Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2015 and 2014, and the related statements of changes in net assets available for benefits for the 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 accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

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

## Basis for Disclaimer of Opinion

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

## Disclaimer of Opinion

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

**Emphasis of Matter**

As more fully discussed in Note 2 to the accompanying financial statements, in 2015 the Plan adopted new accounting and disclosure guidance related to its investments. Prior and current year accounting and disclosures have been revised to reflect the retrospective application of adopting these changes in accounting and disclosure. Our opinion is not modified with respect to this matter.

**Other Matter**

The supplemental schedules, appearing on pages 14 to 16 as of December 31, 2015 are required by the Department of Labor (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis, and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on these supplemental schedules.

**Report on Form and Content in Compliance With DOL Rules and Regulations**

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

Gettry Marcus CPA, P.C.

Gettry Marcus CPA, P.C.
Woodbury, New York
October 13, 2016

**Advanced Dermatology 401(k) Plan**
**Statements of Net Assets Available for Benefits**
**December 31, 2015 and 2014**

| | 2015 | 2014 As adjusted (Note 2) |
|---|---|---|
| **Assets** | | |
| **Investments - at fair value** | $ 4,972,333 | $ 4,921,596 |
| **Notes receivable from participants** | 113,851 | 90,283 |
| **Net assets available for benefits** | $ 5,086,184 | $ 5,011,879 |

See notes to financial statements.

**Advanced Dermatology 401(k) Plan**
**Statements of Changes in Net Assets Available for Benefits**
**Years Ended December 31, 2015 and 2014**

| | 2015 | 2014 As adjusted (Note 2) |
|---|---|---|
| **Additions:** | | |
| **Additions to net assets attributed to:** | | |
| **Investment income** | | |
| Dividends | $ 185,059 | $ 241,634 |
| Net appreciation (deprecition) in fair value of investments | (263,950) | 59,232 |
| **Total investment income (loss)** | (78,891) | 300,866 |
| **Interest income on notes receivable from participants** | 4,039 | 3,667 |
| **Contributions** | | |
| Participants | 436,211 | 380,409 |
| Rollovers | 3,744 | - |
| **Total contributions** | 439,955 | 380,409 |
| **Total additions** | 365,103 | 684,942 |
| **Deductions:** | | |
| **Deductions from net assets attributed to:** | | |
| Benefits paid to participants | 289,048 | 18,913 |
| Administrative expenses | 1,750 | 1,244 |
| **Total deductions** | 290,798 | 20,157 |
| **Net increase** | 74,305 | 664,785 |
| **Net assets available for benefits** | | |
| **Beginning of year** | 5,011,879 | 4,347,094 |
| **End of year** | $ 5,086,184 | $ 5,011,879 |

See notes to financial statements.

## Note 1 - Description of Plan

The following brief description of Advanced Dermatology 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

*General*
The Plan is a defined contribution plan established effective January 1, 1993. Effective January 1, 2008, the Plan was restated to a volume submitter defined contribution plan with Fidelity Management Trust Company ("Fidelity"), the trustee of the Plan. The Plan was amended and restated August 7, 2014, and includes all eligible employees of Advanced Dermatology, P.C., all eligible employees of Advanced Dermatology of NJ, P.C., effective October 21, 2009, and all eligible employees of Kahn Dermatology PLC., effective July 29, 2015, who have completed three consecutive full calendar months of employment and attained the age of 21, who are not classified as filers, clerks, drivers, and archivers, a nonresident alien with no income from a U.S. source, a resident of Puerto Rico or covered by a collective bargaining agreement. The above companies are collectively referred to as the "Company". The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended. The Plan administrator of the Company is responsible for oversight of the Plan. Management of the Company determines the appropriateness of the Plan's investment offerings, monitors investment performance and reports to the Plan administrator of the Company.

*Contributions*
Participants may contribute a pre-tax amount equal to not less than 1 percent and not more than 100 percent, of their pretax annual compensation, as defined into the Plan. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans (rollover). The Plan accepts Roth Elective Deferrals made on behalf of participants. Effective June 2014, the Plan includes an auto-enrollment provision whereby all newly eligible employees are automatically enrolled in the Plan unless they affirmatively elect not to participate in the Plan. Automatically enrolled participants have their deferral rate set at 3 percent of eligible compensation and their contributions invested in a lifecycle fund until changed by the participant. The Plan also provides, as amended in June 2014, for an annual increase program for any employee who is automatically enrolled in the Plan whereby the employee's contribution percentage will be increased by 1 percent annually until they reach their plan limit. The Company may elect to contribute a matching contribution or a non-elective employer discretionary contribution. Participants direct the investment of their contributions and the employer matching contributions into various investment options offered by the Plan. Contributions are subject to certain Internal Revenue Service ("IRS") limitations. For the years ended December 31, 2015 and 2014, the Company made no matching or discretionary contributions into the Plan.

*Participant Accounts*
Each participant's account is credited with the participant's contributions and the Company's elective matching as well as an allocation of (a) the non-elective employer discretionary (b) Plan earnings and losses, and (c) an allocation of Plan expenses. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined. Allocation of the employer's discretionary contribution is based on the ratio of the participant's compensation to total eligible compensation, as defined in the Plan. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

## Note 1 - Description of Plan (continued)

*Vesting*
Participants are vested immediately in their voluntary contributions and the non-elective employer non-discretionary contribution plus actual earnings thereon. The vesting in the Company's elective matching contribution portion of the participants' accounts is based on years of continuous service. A participant is vested in their allocated discretionary contribution account with a six-year graduated vesting schedule. However, if an active participant dies or becomes totally and permanently disabled prior to attaining the normal retirement age, the participant's account becomes 100 percent vested.

A participants' vested interest in the Company's elective matching contribution shall be determined in accordance with the following schedule:

| Years of Vesting Service | Vested Interest |
|---|---|
| Less than 2 | 0% |
| 2 but less than 3 | 20% |
| 3 but less than 4 | 40% |
| 4 but less than 5 | 60% |
| 5 but less than 6 | 80% |
| 6 or more | 100% |

*Forfeited Accounts*
Forfeitures of non-vested accounts are used to reduce plan expenses and contributions by the Company. There were no forfeited non-vested accounts at December 31, 2015 and 2014.

*Payment of Benefits*
On termination of service, due to death, disability or retirement, a participant with a vested interest over $5,000 may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account. If the vested interest is less than $5,000, or for termination of services for other reasons, a participant shall receive the value of the vested interest in his or her account as a lump-sum distribution. Distributions are subject to the applicable provisions of the Plan agreement.

*Notes Receivable from Participants*
Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50 percent of their vested account balance. Loan terms range from 1-5 years or a longer repayment period allowed by the administrator for the purchase of a primary residence. The loans are secured by the balance in the participant's account and bear interest at a rate of 4.25%, which is commensurate with local prevailing rates as determined quarterly by the Plan administrator. Principal and interest are paid ratably through bi-weekly payroll deductions.

## Note 2 - Summary of Significant Accounting Policies

In May 2015, the FASB issued ASU 2015-07, Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or its Equivalent), which exempts investments measured using the net asset value (NAV) practical expedient in ASC 820, Fair Value Measurement, from categorization within the fair value hierarchy. The guidance requires retrospective application and is effective for public business entities for fiscal years, and interim periods within those years, beginning after December 15, 2015. For all other entities, the guidance is effective for fiscal years, and interim periods within those years, beginning after December 15, 2015. Early adoption is permitted. The Plan administrator elected to early adopt the provisions of this new standard. Accordingly, the amendment was retrospectively applied resulting in a change in the fair value of investment disclosures.

**Note 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 Benefits Plans (Topic 965): (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, (Part III) Measurement Date Practical Expedient. Part I eliminates the requirements to measure the fair value of fully benefit-responsive investment contracts and provide certain disclosures. Contract value is the only required measure for fully benefit-responsive investment contracts. Part II eliminates the requirements to disclose individual investments that represent 5 percent or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. Part II 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 III is not applicable to the Plan. The ASU is effective for fiscal years beginning after December 15, 2015, with early adoption permitted, and is to be applied retrospectively. During 2015, the Plan administrator elected to early adopt Parts I and II of this new standard with retrospective effect for 2014. Accordingly, the amendment was retrospectively applied resulting in the measurement of the investment in the stable value portfolio pooled separate account to be carried at fair value and the elimination of certain related disclosures.

The adoption of the aforementioned ASU's (i.e., ASU 2015-07 and ASU 2015-12) on a retrospective basis (i.e., as of January 1, 2014), had the following impact on the 2014 statement of net assets available for benefits and the 2014 statement of changes in the net assets available for benefits (as well as related footnote disclosures):

| | Effect of Change in Accounting Principles | | |
|---|---|---|---|
| As of and for the Year Ended December 31, 2014 | As Originally Reported | As Adjusted | Effect of Change |
| Statement of Changes in Net Assets Available for Benefits | | | |
| Net appreciation in fair value of investments | $ 55,615 | $ 59,232 | $ 3,617 |
| Net assets available for benefits – beginning of year | 4,340,731 | 4,347,094 | 6,363 |
| Net assets available for benefits – end of year | 5,001,899 | 5,011,879 | 9,980 |
| Net increase | 661,168 | 664,785 | 3,617 |
| Statement of Net Assets Available for Benefits | | | |
| Adjustment from fair value to contract value for fully benefit-responsive investment contracts | 9,980 | - | 9,980 |
| Net assets available for benefits | 5,001,899 | 5,011,879 | 9,980 |

## Note 2 - Summary of Significant Accounting Policies (continued)

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

*Use of Estimates*
The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

*Investment Valuation and Income Recognition*
Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Management of the Company determines the Plan's valuation policies utilizing information provided by the Plan's investment advisors, custodians and insurance company.

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

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

*Payment of Benefits*
Benefits are recorded when paid by the Plan.

*Administrative Expenses*
The Plan's expenses are paid either by the Plan or the Company as provided by the Plan agreement. Certain administrative expenses of the Plan that are paid by the Plan are recorded as deductions in the accompanying statements of net assets available for benefits. Expenses that are paid by the Company are excluded from these financial statements. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net appreciation of fair value of investments.

*Subsequent Events*
The Plan has evaluated subsequent events for potential recognition or disclosure in the financial statements through October 13, 2016, the date the financial statements were available to be issued.

## Note 3 - Investments

Certain information related to investments and notes receivable from participants disclosed in the accompanying financial statement and supplemental schedules, including investments and notes receivable from participants held at December 31, 2015 and 2014, and net appreciation (depreciation) in the fair value of investments, interest and dividends for the years then ended, was obtained and derived from information supplied to the Plan administrator and certified as complete and accurate by Fidelity.

The assets of the Plan are invested at the direction of the participants in various investment funds at December 31, 2015 and 2014. On June 16, 2014 the Plan's investment options were changed from Fidelity Funds to JP Morgan Funds.

## Note 4 – Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The levels of the hierarchy and those investments included in each are as follows:

| | |
|---|---|
| Level 1 | Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access. |
| Level 2 | Inputs to the valuation methodology include<br>• Quoted prices for similar assets or liabilities in active markets;<br>• Quoted prices for identical or similar assets or liabilities in inactive markets;<br>• Inputs other than quoted prices that are observable for the asset or liability;<br>• Inputs that are derived principally from or corroborated by observable market data by correlation or other means.<br>If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the assets or liability. |
| Level 3 | Inputs to the valuation methodology are unobservable and significant to the fair value measurement. |

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

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

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

**Note 4 - Fair Value Measurements (continued)**

*Common/collective trust Fidelity Advisor Stable Value Portfolio ("Stale Value Fund")*: The Stable Value Fund, common collective pooled trust, is primarily composed of non-convertible bonds, U.S. Government and Government agency obligations, asset-backed securities, commercial mortgage securities and wraps, and is valued at the net asset value ("NAV") of the entity. The NAV is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the Stable Value Fund less its liabilities. This practical expedient would not be used if it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV.

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

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2015 and 2014:

| | Investments at Fair Value as of December 31, 2015 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Mutual funds | $ 4,583,529 | $ - | $ - | $ 4,583,529 |
| Investment measured at NAV (a) | - | - | - | 388,804 |
| Total investments at fair value | $ 4,583,529 | $ - | $ - | $ 4,972,333 |

| | Investments at Fair Value as of December 31, 2014 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Mutual funds | $ 4,349,385 | $ - | $ - | $ 4,349,385 |
| Investment measured at NAV (a) | - | - | - | 572,211 |
| Total investments at fair value | $ 4,349,385 | $ - | $ - | $ 4,921,596 |

(a) In accordance with ASU 2015-07, certain investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statement of net assets available for benefits.

**Note 4 - Fair Value Measurements (continued)**

**Fair Value of Investments in Entities that Use NAV**

The following table summarizes the investments measured at fair value based on NAV per shares as of December 31, 2015 and 2014, respectively.

| December 31, 2015 | Fair Value | Unfunded Commitments | Redemption Frequency (if currently eligible) | Redemption Notice Period |
|---|---|---|---|---|
| Stable Value Fund | $388,804 | n/a | Daily | 1-90 Days |

| December 31, 2014 | Fair Value | Unfunded Commitments | Redemption Frequency (if currently eligible) | Redemption Notice Period |
|---|---|---|---|---|
| Stable Value Fund | $572,211 | n/a | Daily | 1-90 Days |

**Note 5 – Restrictions of Stable Value Fund**

Withdrawals to accommodate participant distributions may be made on any business day. Withdrawals made by participants for investment in another fund may be held in a non-competing investment option for up to 90 days if it were to be directed to a competing fund. Were the Plan to initiate a full redemption of its investment in the Stable Value Fund, the investment adviser reserves the right to require 12 months notification in order to ensure that securities liquidations will be carried out in an orderly business manner.

**Note 6 - Plan Termination**

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

**Note 7 - Tax Status**

The Internal Revenue Service ("IRS") has determined and informed Fidelity by a letter dated March 31, 2014 that the volume submitted Plan and related trust are designed in accordance with the applicable sections of the Internal Revenue Code ("IRC") which indicated that the defined contribution plan adopted by the Company is qualified. Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified, and the related trust is tax exempt.

U.S. GAAP requires Plan management to evaluate tax positions taken by the plan and recognize a tax liability if the plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator have analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2015, no uncertain positions are taken or are expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan's administrator believes it is no longer subject to tax examinations for years prior to 2012.

## Note 8 - Related Party Transactions

The investments owned by the Plan are managed by Fidelity, the trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. Fees incurred by the Plan for the investment management services are included in net appreciation in fair value of investments, as they are paid by revenue sharing, rather than direct payment.

The Plan made direct payments to the third party administrator of $1,750 and $1,244 for the years ended December 31, 2015 and 2014, respectively; which was not covered by revenue sharing. The Company pays directly any other fees related to the Plan's operations.

## Note 9 - Risks and Uncertainties

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

## Note 10 – Untimely Participant Contributions

During 2015, and 2014, the Company failed to remit to the Plan's trustee certain employee contributions and loan repayments within the period prescribed by Department of Labor regulations resulting in nonexempt prohibited transactions. Under the regulations, amounts withheld by an employer from a participant's wages for contribution and loan repayments to a plan are plan assets on the earliest date that they can reasonably be segregated from the employer's general assets. The Company intends to make contributions to the affected participants' accounts to compensate those participants for potential lost income due to the untimely remittances. Management believes that the lost earnings due to the untimely remittances will not be material to the Plan's financial statements as of and for the years ended December 31, 2015 and 2014. The 2014 untimely contributions of $171,738, resulting in lost earnings of $1,567, was received by the Plan on October 7, 2015 and is included in investment income in the statement of changes in net assets available for benefits. The 2015 untimely contributions of $54,470, resulting in lost earnings of $123, was received by the Plan in September 2016.

## Note 11– Employee Eligibility

During 2015, the Company allowed entry into the Plan certain classes of employees who were ineligible to participate. The Plan has such been amended to allow entry for these classes (see Note 12).

## Note 12– Subsequent Event

Effective January 1, 2016, the Plan was amended to include all eligible employees of MD Alliance Solutions LLC. Effective June 2, 2016, the Plan was amended to include all eligible employees of City Dermatology, P.C., and to allow entry into the Plan for those employees classified as clerks and archivers.

**Supplementary Information**

**Advanced Dermatology 401(k) Plan**
**PN: 001 EIN: 11-3211425**
**2014 Form 5500 Schedule H, Part IV, Line 4(a)**
**Schedule of Delinquent Participant Contributions**
**Year Ended December 31, 2014**

| Check Here If Late Participant Loan Repayments Are Included | Participant Contributions Transferred Late to the Plan | | | Total That Constitute Nonexempt Prohibited Transactions | | | |
|---|---|---|---|---|---|---|---|
| | Date Withheld | Date Remitted | Amount | Contributions Not Corrected | Contributions Corrected Outside | Contributions Pending Correction | Total Fully Corrected Under VFCP and |
| ✓ | 1/3/2014 | 1/9/2014 | $ 15,924.95 | $ - | $ 15,924.95 | $ - | $ - |
| ✓ | 1/17/2014 | 1/30/2014 | 17,402.63 | - | 17,402.63 | - | - |
| ✓ | 2/14/2014 | 2/20/2014 | 16,988.46 | - | 16,988.46 | - | - |
| ✓ | 2/28/2014 | 3/10/2014 | 16,315.02 | - | 16,315.02 | - | - |
| ✓ | 5/9/2014 | 5/21/2014 | 17,024.88 | - | 17,024.88 | - | - |
| ✓ | 6/6/2014 | 6/19/2014 | 15,356.23 | - | 15,356.23 | - | - |
| ✓ | 7/3/2014 | 7/11/2014 | 15,050.84 | - | 15,050.84 | - | - |
| | 7/3/2014 | 9/30/2014 | 35.34 | - | 35.34 | - | - |
| ✓ | 7/18/2014 | 9/2/2014 | 21,334.07 | - | 21,334.07 | - | - |
| ✓ | 8/1/2014 | 8/15/2014 | 18,363.84 | - | 18,363.84 | - | - |
| ✓ | 8/29/2014 | 9/11/2014 | 17,641.58 | - | 17,641.58 | - | - |
| | 12/5/2014 | 12/19/2014 | 300.00 | - | 300.00 | - | - |
| | | | $ 171,737.84 | $ - | $ 171,737.84 | $ - | $ - |

* The Company has calculated lost earnings on the untimely remittances and has made contributions to the affected participant's account on October 7, 2015

See independent auditor's report.

**Advanced Dermatology 401(k) Plan**
**PN: 001 EIN: 11-3211425**
**2014 Form 5500 Schedule H, Part IV, Line 4(a)**
**Schedule of Delinquent Participant Contributions**
**Year Ended December 31, 2015**

| Check Here If Late Participant Loan Repayments Are Included | Participant Contributions Transferred Late to the Plan | | | Total That Constitute Nonexempt Prohibited Transactions | | | |
|---|---|---|---|---|---|---|---|
| | Date Withheld | Date Remitted | Amount | Contributions Not Corrected | Contributions Corrected Outside VFCP - * | Contributions Pending Correction in VFCP | Total Fully Corrected Under VFCP and PTE 2002-51 |
| ✓ | 2/13/2015 | 2/24/2015 | $ 17,657.22 | $ - | $ 17,657.22 | $ - | $ - |
| ✓ | 5/8/2015 | 5/27/2015 | 18,622.55 | - | 18,622.55 | - | - |
| ✓ | 5/22/2015 | 5/29/2015 | 18,190.60 | - | 18,190.60 | - | - |
| | | | $ 54,470.37 | $ - | $ 54,470.37 | $ - | $ - |

* The Company has calculated lost earnings on the untimely remittances and has made contributions to the affected participant's account on September 10, 2016

**Advanced Dermatology 401(k) Plan**
**PN: 001 EIN: 11-3211425**
**Form 5500 Schedule H, Part IV, 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 value | (d) Cost** | (e) Current Value |
|---|---|---|---|---|
| * | Fidelity Management Trust Company | FA Stable Value Portfolio | | $ 388,804 |
| * | Fidelity Management Trust Company | JMP Smart Ret 2020 A | | 945,746 |
| * | Fidelity Management Trust Company | JMP Smart Ret 2030 A | | 832,754 |
| * | Fidelity Management Trust Company | JMP Smart Ret 2040 A | | 320,398 |
| * | Fidelity Management Trust Company | FA New Insights A | | 107,696 |
| * | Fidelity Management Trust Company | JMP Smart Ret 2015 A | | 49,675 |
| * | Fidelity Management Trust Company | JMP Smart Ret 2025 A | | 719,114 |
| * | Fidelity Management Trust Company | JMP Smart Ret 2035 A | | 578,139 |
| * | Fidelity Management Trust Company | JMP Smart Ret 2045 A | | 206,490 |
| * | Fidelity Management Trust Company | JMP Smart Ret 2050 A | | 29,643 |
| * | Fidelity Management Trust Company | JMP Smart Ret 2055 A | | 11,082 |
| * | Fidelity Management Trust Company | JMP Smart Ret Inc A | | 9,721 |
| * | Fidelity Management Trust Company | Templeton Foreign A | | 17,381 |
| * | Fidelity Management Trust Company | TMPL Global Bond A | | 26,229 |
| * | Fidelity Management Trust Company | Opphmr Intl Growth A | | 5,146 |
| * | Fidelity Management Trust Company | Nuveen Real Estate A | | 81,171 |
| * | Fidelity Management Trust Company | BLKRK Global Alloc A | | 43,676 |
| * | Fidelity Management Trust Company | BLKRK Equity Div A | | 53,690 |
| * | Fidelity Management Trust Company | Thornburg Int Val R4 | | 4,670 |
| * | Fidelity Management Trust Company | PIM Total Return A | | 42,390 |
| * | Fidelity Management Trust Company | JPM High Yield A | | 22,706 |
| * | Fidelity Management Trust Company | JPM Equity IDX A | | 254,326 |
| * | Fidelity Management Trust Company | Opphmr Dev Mkts A | | 94,166 |
| * | Fidelity Management Trust Company | WF Prec Metals A | | 14,877 |
| * | Fidelity Management Trust Company | CBA Sm Cap Gr A | | 45,772 |
| * | Fidelity Management Trust Company | Invs Intl Sm Co A | | 686 |
| * | Fidelity Management Trust Company | Janus Balanced S | | 903 |
| * | Fidelity Management Trust Company | FA Strat Income A | | 16,214 |
| * | Fidelity Management Trust Company | FA Lev Co Stock A | | 49,068 |
| | | | | 4,972,333 |
| * | Notes receivable from participants | Interest rates of 4.25% , various maturity dates, secured by participants' account balances. | | 113,851 |
| | Total | | | $ 5,086,184 |

* Indicates an identified person known to be a party-in-interest to the Plan.

** Cost not required (investments are particiant directed).

# ADVANCED DERMATOLOGY 401(K) PLAN

## FINANCIAL STATEMENTS

## YEARS ENDED DECEMBER 31, 2015 AND 2014

**Advanced Dermatology 401(k) Plan**

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# Independent Auditor's Report

To the Plan Administrator
Advanced Dermatology 401(k) Plan

## Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Advanced Dermatology 401(k) Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2015 and 2014, and the related statements of changes in net assets available for benefits for the 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 accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

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

## Basis for Disclaimer of Opinion

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

## Disclaimer of Opinion

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

**Emphasis of Matter**

As more fully discussed in Note 2 to the accompanying financial statements, in 2015 the Plan adopted new accounting and disclosure guidance related to its investments. Prior and current year accounting and disclosures have been revised to reflect the retrospective application of adopting these changes in accounting and disclosure. Our opinion is not modified with respect to this matter.

**Other Matter**

The supplemental schedules, appearing on pages 14 to 16 as of December 31, 2015 are required by the Department of Labor (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis, and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on these supplemental schedules.

**Report on Form and Content in Compliance With DOL Rules and Regulations**

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

Gettry Marcus CPA, P.C.

Gettry Marcus CPA, P.C.
Woodbury, New York
October 13, 2016

**Advanced Dermatology 401(k) Plan**
**Statements of Net Assets Available for Benefits**
**December 31, 2015 and 2014**

| | 2015 | 2014 As adjusted (Note 2) |
|---|---|---|
| **Assets** | | |
| **Investments - at fair value** | $ 4,972,333 | $ 4,921,596 |
| **Notes receivable from participants** | 113,851 | 90,283 |
| **Net assets available for benefits** | $ 5,086,184 | $ 5,011,879 |

See notes to financial statements.

**Advanced Dermatology 401(k) Plan**
**Statements of Changes in Net Assets Available for Benefits**
**Years Ended December 31, 2015 and 2014**

| | 2015 | 2014 As adjusted (Note 2) |
|---|---|---|
| **Additions:** | | |
| **Additions to net assets attributed to:** | | |
| **Investment income** | | |
| Dividends | $ 185,059 | $ 241,634 |
| Net appreciation (deprecition) in fair value of investments | (263,950) | 59,232 |
| **Total investment income (loss)** | (78,891) | 300,866 |
| **Interest income on notes receivable from participants** | 4,039 | 3,667 |
| **Contributions** | | |
| Participants | 436,211 | 380,409 |
| Rollovers | 3,744 | - |
| **Total contributions** | 439,955 | 380,409 |
| **Total additions** | 365,103 | 684,942 |
| **Deductions:** | | |
| **Deductions from net assets attributed to:** | | |
| Benefits paid to participants | 289,048 | 18,913 |
| Administrative expenses | 1,750 | 1,244 |
| **Total deductions** | 290,798 | 20,157 |
| **Net increase** | 74,305 | 664,785 |
| **Net assets available for benefits** | | |
| **Beginning of year** | 5,011,879 | 4,347,094 |
| **End of year** | $ 5,086,184 | $ 5,011,879 |

See notes to financial statements.

## Note 1 - Description of Plan

The following brief description of Advanced Dermatology 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

*General*
The Plan is a defined contribution plan established effective January 1, 1993. Effective January 1, 2008, the Plan was restated to a volume submitter defined contribution plan with Fidelity Management Trust Company ("Fidelity"), the trustee of the Plan. The Plan was amended and restated August 7, 2014, and includes all eligible employees of Advanced Dermatology, P.C., all eligible employees of Advanced Dermatology of NJ, P.C., effective October 21, 2009, and all eligible employees of Kahn Dermatology PLC., effective July 29, 2015, who have completed three consecutive full calendar months of employment and attained the age of 21, who are not classified as filers, clerks, drivers, and archivers, a nonresident alien with no income from a U.S. source, a resident of Puerto Rico or covered by a collective bargaining agreement. The above companies are collectively referred to as the "Company". The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended. The Plan administrator of the Company is responsible for oversight of the Plan. Management of the Company determines the appropriateness of the Plan's investment offerings, monitors investment performance and reports to the Plan administrator of the Company.

*Contributions*
Participants may contribute a pre-tax amount equal to not less than 1 percent and not more than 100 percent, of their pretax annual compensation, as defined into the Plan. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans (rollover). The Plan accepts Roth Elective Deferrals made on behalf of participants. Effective June 2014, the Plan includes an auto-enrollment provision whereby all newly eligible employees are automatically enrolled in the Plan unless they affirmatively elect not to participate in the Plan. Automatically enrolled participants have their deferral rate set at 3 percent of eligible compensation and their contributions invested in a lifecycle fund until changed by the participant. The Plan also provides, as amended in June 2014, for an annual increase program for any employee who is automatically enrolled in the Plan whereby the employee's contribution percentage will be increased by 1 percent annually until they reach their plan limit. The Company may elect to contribute a matching contribution or a non-elective employer discretionary contribution. Participants direct the investment of their contributions and the employer matching contributions into various investment options offered by the Plan. Contributions are subject to certain Internal Revenue Service ("IRS") limitations. For the years ended December 31, 2015 and 2014, the Company made no matching or discretionary contributions into the Plan.

*Participant Accounts*
Each participant's account is credited with the participant's contributions and the Company's elective matching as well as an allocation of (a) the non-elective employer discretionary (b) Plan earnings and losses, and (c) an allocation of Plan expenses. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined. Allocation of the employer's discretionary contribution is based on the ratio of the participant's compensation to total eligible compensation, as defined in the Plan. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

## Note 1 - Description of Plan (continued)

*Vesting*
Participants are vested immediately in their voluntary contributions and the non-elective employer non-discretionary contribution plus actual earnings thereon. The vesting in the Company's elective matching contribution portion of the participants' accounts is based on years of continuous service. A participant is vested in their allocated discretionary contribution account with a six-year graduated vesting schedule. However, if an active participant dies or becomes totally and permanently disabled prior to attaining the normal retirement age, the participant's account becomes 100 percent vested.

A participants' vested interest in the Company's elective matching contribution shall be determined in accordance with the following schedule:

| Years of Vesting Service | Vested Interest |
|---|---|
| Less than 2 | 0% |
| 2 but less than 3 | 20% |
| 3 but less than 4 | 40% |
| 4 but less than 5 | 60% |
| 5 but less than 6 | 80% |
| 6 or more | 100% |

*Forfeited Accounts*
Forfeitures of non-vested accounts are used to reduce plan expenses and contributions by the Company. There were no forfeited non-vested accounts at December 31, 2015 and 2014.

*Payment of Benefits*
On termination of service, due to death, disability or retirement, a participant with a vested interest over $5,000 may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account. If the vested interest is less than $5,000, or for termination of services for other reasons, a participant shall receive the value of the vested interest in his or her account as a lump-sum distribution. Distributions are subject to the applicable provisions of the Plan agreement.

*Notes Receivable from Participants*
Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50 percent of their vested account balance. Loan terms range from 1-5 years or a longer repayment period allowed by the administrator for the purchase of a primary residence. The loans are secured by the balance in the participant's account and bear interest at a rate of 4.25%, which is commensurate with local prevailing rates as determined quarterly by the Plan administrator. Principal and interest are paid ratably through bi-weekly payroll deductions.

## Note 2 - Summary of Significant Accounting Policies

In May 2015, the FASB issued ASU 2015-07, Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or its Equivalent), which exempts investments measured using the net asset value (NAV) practical expedient in ASC 820, Fair Value Measurement, from categorization within the fair value hierarchy. The guidance requires retrospective application and is effective for public business entities for fiscal years, and interim periods within those years, beginning after December 15, 2015. For all other entities, the guidance is effective for fiscal years, and interim periods within those years, beginning after December 15, 2015. Early adoption is permitted. The Plan administrator elected to early adopt the provisions of this new standard. Accordingly, the amendment was retrospectively applied resulting in a change in the fair value of investment disclosures.

**Note 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 Benefits Plans (Topic 965): (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, (Part III) Measurement Date Practical Expedient. Part I eliminates the requirements to measure the fair value of fully benefit-responsive investment contracts and provide certain disclosures. Contract value is the only required measure for fully benefit-responsive investment contracts. Part II eliminates the requirements to disclose individual investments that represent 5 percent or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. Part II 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 III is not applicable to the Plan. The ASU is effective for fiscal years beginning after December 15, 2015, with early adoption permitted, and is to be applied retrospectively. During 2015, the Plan administrator elected to early adopt Parts I and II of this new standard with retrospective effect for 2014. Accordingly, the amendment was retrospectively applied resulting in the measurement of the investment in the stable value portfolio pooled separate account to be carried at fair value and the elimination of certain related disclosures.

The adoption of the aforementioned ASU's (i.e., ASU 2015-07 and ASU 2015-12) on a retrospective basis (i.e., as of January 1, 2014), had the following impact on the 2014 statement of net assets available for benefits and the 2014 statement of changes in the net assets available for benefits (as well as related footnote disclosures):

| | Effect of Change in Accounting Principles | | |
|---|---|---|---|
| As of and for the Year Ended December 31, 2014 | As Originally Reported | As Adjusted | Effect of Change |
| Statement of Changes in Net Assets Available for Benefits | | | |
| Net appreciation in fair value of investments | $ 55,615 | $ 59,232 | $ 3,617 |
| Net assets available for benefits – beginning of year | 4,340,731 | 4,347,094 | 6,363 |
| Net assets available for benefits – end of year | 5,001,899 | 5,011,879 | 9,980 |
| Net increase | 661,168 | 664,785 | 3,617 |
| Statement of Net Assets Available for Benefits | | | |
| Adjustment from fair value to contract value for fully benefit-responsive investment contracts | 9,980 | - | 9,980 |
| Net assets available for benefits | 5,001,899 | 5,011,879 | 9,980 |

## Note 2 - Summary of Significant Accounting Policies (continued)

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

*Use of Estimates*
The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

*Investment Valuation and Income Recognition*
Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Management of the Company determines the Plan's valuation policies utilizing information provided by the Plan's investment advisors, custodians and insurance company.

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

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

*Payment of Benefits*
Benefits are recorded when paid by the Plan.

*Administrative Expenses*
The Plan's expenses are paid either by the Plan or the Company as provided by the Plan agreement. Certain administrative expenses of the Plan that are paid by the Plan are recorded as deductions in the accompanying statements of net assets available for benefits. Expenses that are paid by the Company are excluded from these financial statements. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net appreciation of fair value of investments.

*Subsequent Events*
The Plan has evaluated subsequent events for potential recognition or disclosure in the financial statements through October 13, 2016, the date the financial statements were available to be issued.

## Note 3 - Investments

Certain information related to investments and notes receivable from participants disclosed in the accompanying financial statement and supplemental schedules, including investments and notes receivable from participants held at December 31, 2015 and 2014, and net appreciation (depreciation) in the fair value of investments, interest and dividends for the years then ended, was obtained and derived from information supplied to the Plan administrator and certified as complete and accurate by Fidelity.

The assets of the Plan are invested at the direction of the participants in various investment funds at December 31, 2015 and 2014. On June 16, 2014 the Plan's investment options were changed from Fidelity Funds to JP Morgan Funds.

## Note 4 – Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The levels of the hierarchy and those investments included in each are as follows:

| | |
|---|---|
| Level 1 | Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access. |
| Level 2 | Inputs to the valuation methodology include<br>• Quoted prices for similar assets or liabilities in active markets;<br>• Quoted prices for identical or similar assets or liabilities in inactive markets;<br>• Inputs other than quoted prices that are observable for the asset or liability;<br>• Inputs that are derived principally from or corroborated by observable market data by correlation or other means.<br>If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the assets or liability. |
| Level 3 | Inputs to the valuation methodology are unobservable and significant to the fair value measurement. |

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

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

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

**Note 4 - Fair Value Measurements (continued)**

*Common/collective trust Fidelity Advisor Stable Value Portfolio ("Stale Value Fund")*: The Stable Value Fund, common collective pooled trust, is primarily composed of non-convertible bonds, U.S. Government and Government agency obligations, asset-backed securities, commercial mortgage securities and wraps, and is valued at the net asset value ("NAV") of the entity. The NAV is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the Stable Value Fund less its liabilities. This practical expedient would not be used if it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV.

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

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2015 and 2014:

| | Investments at Fair Value as of December 31, 2015 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Mutual funds | $ 4,583,529 | $ - | $ - | $ 4,583,529 |
| Investment measured at NAV (a) | - | - | - | 388,804 |
| Total investments at fair value | $ 4,583,529 | $ - | $ - | $ 4,972,333 |

| | Investments at Fair Value as of December 31, 2014 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Mutual funds | $ 4,349,385 | $ - | $ - | $ 4,349,385 |
| Investment measured at NAV (a) | - | - | - | 572,211 |
| Total investments at fair value | $ 4,349,385 | $ - | $ - | $ 4,921,596 |

(a) In accordance with ASU 2015-07, certain investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statement of net assets available for benefits.

**Note 4 - Fair Value Measurements (continued)**

**Fair Value of Investments in Entities that Use NAV**

The following table summarizes the investments measured at fair value based on NAV per shares as of December 31, 2015 and 2014, respectively.

| December 31, 2015 | Fair Value | Unfunded Commitments | Redemption Frequency (if currently eligible) | Redemption Notice Period |
|---|---|---|---|---|
| Stable Value Fund | $388,804 | n/a | Daily | 1-90 Days |

| December 31, 2014 | Fair Value | Unfunded Commitments | Redemption Frequency (if currently eligible) | Redemption Notice Period |
|---|---|---|---|---|
| Stable Value Fund | $572,211 | n/a | Daily | 1-90 Days |

**Note 5 – Restrictions of Stable Value Fund**

Withdrawals to accommodate participant distributions may be made on any business day. Withdrawals made by participants for investment in another fund may be held in a non-competing investment option for up to 90 days if it were to be directed to a competing fund. Were the Plan to initiate a full redemption of its investment in the Stable Value Fund, the investment adviser reserves the right to require 12 months notification in order to ensure that securities liquidations will be carried out in an orderly business manner.

**Note 6 - Plan Termination**

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

**Note 7 - Tax Status**

The Internal Revenue Service ("IRS") has determined and informed Fidelity by a letter dated March 31, 2014 that the volume submitted Plan and related trust are designed in accordance with the applicable sections of the Internal Revenue Code ("IRC") which indicated that the defined contribution plan adopted by the Company is qualified. Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified, and the related trust is tax exempt.

U.S. GAAP requires Plan management to evaluate tax positions taken by the plan and recognize a tax liability if the plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator have analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2015, no uncertain positions are taken or are expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan's administrator believes it is no longer subject to tax examinations for years prior to 2012.

## Note 8 - Related Party Transactions

The investments owned by the Plan are managed by Fidelity, the trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. Fees incurred by the Plan for the investment management services are included in net appreciation in fair value of investments, as they are paid by revenue sharing, rather than direct payment.

The Plan made direct payments to the third party administrator of $1,750 and $1,244 for the years ended December 31, 2015 and 2014, respectively; which was not covered by revenue sharing. The Company pays directly any other fees related to the Plan's operations.

## Note 9 - Risks and Uncertainties

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

## Note 10 – Untimely Participant Contributions

During 2015, and 2014, the Company failed to remit to the Plan's trustee certain employee contributions and loan repayments within the period prescribed by Department of Labor regulations resulting in nonexempt prohibited transactions. Under the regulations, amounts withheld by an employer from a participant's wages for contribution and loan repayments to a plan are plan assets on the earliest date that they can reasonably be segregated from the employer's general assets. The Company intends to make contributions to the affected participants' accounts to compensate those participants for potential lost income due to the untimely remittances. Management believes that the lost earnings due to the untimely remittances will not be material to the Plan's financial statements as of and for the years ended December 31, 2015 and 2014. The 2014 untimely contributions of $171,738, resulting in lost earnings of $1,567, was received by the Plan on October 7, 2015 and is included in investment income in the statement of changes in net assets available for benefits. The 2015 untimely contributions of $54,470, resulting in lost earnings of $123, was received by the Plan in September 2016.

## Note 11– Employee Eligibility

During 2015, the Company allowed entry into the Plan certain classes of employees who were ineligible to participate. The Plan has such been amended to allow entry for these classes (see Note 12).

## Note 12– Subsequent Event

Effective January 1, 2016, the Plan was amended to include all eligible employees of MD Alliance Solutions LLC. Effective June 2, 2016, the Plan was amended to include all eligible employees of City Dermatology, P.C., and to allow entry into the Plan for those employees classified as clerks and archivers.

**Supplementary Information**

**Advanced Dermatology 401(k) Plan**
**PN: 001 EIN: 11-3211425**
**2014 Form 5500 Schedule H, Part IV, Line 4(a)**
**Schedule of Delinquent Participant Contributions**
**Year Ended December 31, 2014**

| Check Here If Late Participant Loan Repayments Are Included | Participant Contributions Transferred Late to the Plan | | | Total That Constitute Nonexempt Prohibited Transactions | | | |
|---|---|---|---|---|---|---|---|
| | Date Withheld | Date Remitted | Amount | Contributions Not Corrected | Contributions Corrected Outside | Contributions Pending Correction | Total Fully Corrected Under VFCP and |
| ✓ | 1/3/2014 | 1/9/2014 | $ 15,924.95 | $ - | $ 15,924.95 | $ - | $ - |
| ✓ | 1/17/2014 | 1/30/2014 | 17,402.63 | - | 17,402.63 | - | - |
| ✓ | 2/14/2014 | 2/20/2014 | 16,988.46 | - | 16,988.46 | - | - |
| ✓ | 2/28/2014 | 3/10/2014 | 16,315.02 | - | 16,315.02 | - | - |
| ✓ | 5/9/2014 | 5/21/2014 | 17,024.88 | - | 17,024.88 | - | - |
| ✓ | 6/6/2014 | 6/19/2014 | 15,356.23 | - | 15,356.23 | - | - |
| ✓ | 7/3/2014 | 7/11/2014 | 15,050.84 | - | 15,050.84 | - | - |
| | 7/3/2014 | 9/30/2014 | 35.34 | - | 35.34 | - | - |
| ✓ | 7/18/2014 | 9/2/2014 | 21,334.07 | - | 21,334.07 | - | - |
| ✓ | 8/1/2014 | 8/15/2014 | 18,363.84 | - | 18,363.84 | - | - |
| ✓ | 8/29/2014 | 9/11/2014 | 17,641.58 | - | 17,641.58 | - | - |
| | 12/5/2014 | 12/19/2014 | 300.00 | - | 300.00 | - | - |
| | | | $ 171,737.84 | $ - | $ 171,737.84 | $ - | $ - |

* The Company has calculated lost earnings on the untimely remittances and has made contributions to the affected participant's account on October 7, 2015

See independent auditor's report.

**Advanced Dermatology 401(k) Plan**
**PN: 001 EIN: 11-3211425**
**2014 Form 5500 Schedule H, Part IV, Line 4(a)**
**Schedule of Delinquent Participant Contributions**
**Year Ended December 31, 2015**

| Check Here If Late Participant Loan Repayments Are Included | Participant Contributions Transferred Late to the Plan | | | Total That Constitute Nonexempt Prohibited Transactions | | | |
|---|---|---|---|---|---|---|---|
| | Date Withheld | Date Remitted | Amount | Contributions Not Corrected | Contributions Corrected Outside VFCP - * | Contributions Pending Correction in VFCP | Total Fully Corrected Under VFCP and PTE 2002-51 |
| ✓ | 2/13/2015 | 2/24/2015 | $ 17,657.22 | $ - | $ 17,657.22 | $ - | $ - |
| ✓ | 5/8/2015 | 5/27/2015 | 18,622.55 | - | 18,622.55 | - | - |
| ✓ | 5/22/2015 | 5/29/2015 | 18,190.60 | - | 18,190.60 | - | - |
| | | | $ 54,470.37 | $ - | $ 54,470.37 | $ - | $ - |

* The Company has calculated lost earnings on the untimely remittances and has made contributions to the affected participant's account on September 10, 2016

**Advanced Dermatology 401(k) Plan**
**PN: 001 EIN: 11-3211425**
**Form 5500 Schedule H, Part IV, 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 value | (d) Cost** | (e) Current Value |
|---|---|---|---|---|
| * | Fidelity Management Trust Company | FA Stable Value Portfolio | | $ 388,804 |
| * | Fidelity Management Trust Company | JMP Smart Ret 2020 A | | 945,746 |
| * | Fidelity Management Trust Company | JMP Smart Ret 2030 A | | 832,754 |
| * | Fidelity Management Trust Company | JMP Smart Ret 2040 A | | 320,398 |
| * | Fidelity Management Trust Company | FA New Insights A | | 107,696 |
| * | Fidelity Management Trust Company | JMP Smart Ret 2015 A | | 49,675 |
| * | Fidelity Management Trust Company | JMP Smart Ret 2025 A | | 719,114 |
| * | Fidelity Management Trust Company | JMP Smart Ret 2035 A | | 578,139 |
| * | Fidelity Management Trust Company | JMP Smart Ret 2045 A | | 206,490 |
| * | Fidelity Management Trust Company | JMP Smart Ret 2050 A | | 29,643 |
| * | Fidelity Management Trust Company | JMP Smart Ret 2055 A | | 11,082 |
| * | Fidelity Management Trust Company | JMP Smart Ret Inc A | | 9,721 |
| * | Fidelity Management Trust Company | Templeton Foreign A | | 17,381 |
| * | Fidelity Management Trust Company | TMPL Global Bond A | | 26,229 |
| * | Fidelity Management Trust Company | Opphmr Intl Growth A | | 5,146 |
| * | Fidelity Management Trust Company | Nuveen Real Estate A | | 81,171 |
| * | Fidelity Management Trust Company | BLKRK Global Alloc A | | 43,676 |
| * | Fidelity Management Trust Company | BLKRK Equity Div A | | 53,690 |
| * | Fidelity Management Trust Company | Thornburg Int Val R4 | | 4,670 |
| * | Fidelity Management Trust Company | PIM Total Return A | | 42,390 |
| * | Fidelity Management Trust Company | JPM High Yield A | | 22,706 |
| * | Fidelity Management Trust Company | JPM Equity IDX A | | 254,326 |
| * | Fidelity Management Trust Company | Opphmr Dev Mkts A | | 94,166 |
| * | Fidelity Management Trust Company | WF Prec Metals A | | 14,877 |
| * | Fidelity Management Trust Company | CBA Sm Cap Gr A | | 45,772 |
| * | Fidelity Management Trust Company | Invs Intl Sm Co A | | 686 |
| * | Fidelity Management Trust Company | Janus Balanced S | | 903 |
| * | Fidelity Management Trust Company | FA Strat Income A | | 16,214 |
| * | Fidelity Management Trust Company | FA Lev Co Stock A | | 49,068 |
| | | | | 4,972,333 |
| * | Notes receivable from participants | Interest rates of 4.25% , various maturity dates, secured by participants' account balances. | | 113,851 |
| | Total | | | $ 5,086,184 |

* Indicates an identified person known to be a party-in-interest to the Plan.

** Cost not required (investments are particiant directed).