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
KAWAHARA NURSERY , INC. 401(K) PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/1999

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)
KAWAHARA NURSERY, INC.

698 BURNETT AVENUE
MORGAN HILL, CA 95038

2b Employer Identification Number (EIN)
99-0187033

2c Plan Sponsor's telephone number
408-779-2400

2d Business code (see instructions)
111400

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.	10/15/2016	DAVID I. KAWAHARA
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2016	DAVID I. KAWAHARA
	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**	232
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)**	208
a(2)	Total number of active participants at the end of the plan year	**6a(2)**	196
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	26
d	Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	222
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f	Total. Add lines **6d** and **6e**.	**6f**	222
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	89
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 Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	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.**	**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
KAWAHARA NURSERY , INC. 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

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

D Employer Identification Number (EIN)
99-0187033

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

ADP, LLC

13-3036745

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

ALLIANCEBERNSTEIN L.P.

13-4064930

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

ALLIANZ GLOBAL INVESTORS DISTRIBUTO
1345 AVENUE OF THE AMERICAS
NEW YORK, NY 10105

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

ALLIANZ GLOBAL INVESTORS DISTRIBUTO
1345 AVENUE OF THE AMERICAS
NEW YORK, NY 10105

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

DEAWM DISTRIBUTORS, INC.

36-3976708

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

FIDELITY DISTRIBUTORS CORP.

500 SALEM STREET
MAIL ZONE O3N
SMITHFIELD, RI 02917

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

FRANKLIN TEMPLETON DISTRIBUTORS, IN

100 FOUNTAIN PARKWAY
ST. PETERSBURG, FL 33716

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

FRED ALGER & COMPANY, INCORPORATED

13-2510833

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

JANUS DISTRIBUTORS, LLC

151 DETROIT STREET
DENVER, CO 80206

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

NEUBERGER BERMAN

605 THIRD AVENUE
3RD FLOOR
NEW YORK, NY 10158

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

OPPENHEIMER FUNDS INC.

13-2527171

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

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

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

STATE STREET CORPORATION

04-1867445

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
21 99	DIRECTED TRUSTEE/CUSTODIA	0	Yes [X] No [ ]	Yes [X] No [ ]	500	Yes [ ] No [X]

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

ADP BROKER-DEALER

22-3319984

(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?
63 60 59 49 99	RECORD KEEPER	0	Yes [X] No [ ]	Yes [ ] No [X]	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
ADP BROKER-DEALER	63 60 59	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.
ALLIANCEBERNSTEIN L.P. 13-4064930	ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
ADP BROKER-DEALER	63 60 59	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.
ALLIANZ GLOBAL INVESTORS DISTRIBUTO 1345 AVENUE OF THE AMERICAS NEW YORK, NY 10105	ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
ADP BROKER-DEALER	63 60 59	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.
ALLIANZ GLOBAL INVESTORS DISTRIBUTO 1345 AVENUE OF THE AMERICAS NEW YORK, NY 10105	ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00200 OF AVERAGE DAILY ASSETS

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
ADP BROKER-DEALER	63 60 59	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.
DEAWM DISTRIBUTORS, INC. 36-3976708	ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00350 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
ADP BROKER-DEALER	63 60 59	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.
FIDELITY DISTRIBUTORS CORP. 500 SALEM STREET MAIL ZONE O3N SMITHFIELD, RI 02917	ANNUAL RATE 0.00500 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
ADP BROKER-DEALER	63 60 59	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.
FRANKLIN TEMPLETON DISTRIBUTORS, IN 100 FOUNTAIN PARKWAY ST. PETERSBURG, FL 33716	ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00500 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS

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
ADP BROKER-DEALER	60 59	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.
FRED ALGER & COMPANY, INCORPORATED 13-2510833	ANNUAL RATE 0.00500 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00500 OF AVERAGE DAILY ASSETS

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
ADP BROKER-DEALER	63 60 59	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 DISTRIBUTORS, LLC 151 DETROIT STREET DENVER, CO 80206	ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
ADP BROKER-DEALER	63 60 59	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.
NEUBERGER BERMAN 605 THIRD AVENUE 3RD FLOOR NEW YORK, NY 10158	ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00350 OF AVERAGE DAILY ASSETS

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
ADP BROKER-DEALER	63 60 59	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.
OPPENHEIMER FUNDS INC. 13-2527171	ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
ADP BROKER-DEALER	99	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.
STATE STREET CORPORATION 04-1867445	ANNUAL RATE 0.00870 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00780 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00780 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00630 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00028 OF AVERAGE DAILY ASSETS

(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
KAWAHARA NURSERY , INC. 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
KAWAHARA NURSERY, INC.

D Employer Identification Number (EIN)
99-0187033

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: STATE ST RUSS SC IDX VIII

b Name of sponsor of entity listed in (a): STATE STREET BANK & TRUST CO

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)
90-0337987-340	C	8224

a Name of MTIA, CCT, PSA, or 103-12 IE: STATE ST S&P 500 IDX IX

b Name of sponsor of entity listed in (a): STATE STREET BANK & TRUST CO

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)
90-0337987-344	C	232012

a Name of MTIA, CCT, PSA, or 103-12 IE: STATE ST S&P MD CP IDX NL J

b Name of sponsor of entity listed in (a): STATE STREET BANK & TRUST CO

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)
90-0337987-347	C	189160

a Name of MTIA, CCT, PSA, or 103-12 IE: STATE ST CASH SERIES US GOVT L

b Name of sponsor of entity listed in (a): STATE STREET BANK & TRUST CO

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)
90-0337987-000	C	242796

a Name of MTIA, CCT, PSA, or 103-12 IE: STATE ST CONS STR BAL SLS VII

b Name of sponsor of entity listed in (a): STATE STREET BANK & TRUST CO

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)
90-0337987-384	C	34346

a Name of MTIA, CCT, PSA, or 103-12 IE: STATE ST MOD STR BAL SLS VII

b Name of sponsor of entity listed in (a): STATE STREET BANK & TRUST CO

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)
90-0337987-385	C	67558

a Name of MTIA, CCT, PSA, or 103-12 IE: STATE ST AGG STR BAL SLS VII

b Name of sponsor of entity listed in (a): STATE STREET BANK & TRUST CO

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)
90-0337987-386	C	47890

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
KAWAHARA NURSERY , INC. 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

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

D Employer Identification Number (EIN)
99-0187033

Part I Asset and Liability Statement

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	257169	242796
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	59611	109002
(9) Value of interest in common/collective trusts	1c(9)	567708	579190
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	1552989	1470400
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	2437477	2401388
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	2437477	2401388

Part II Income and Expense Statement

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

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)		
	(B) Participants	2a(1)(B)	126914	
	(C) Others (including rollovers)	2a(1)(C)		
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		126914
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)	3236	
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		3236
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	183892	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		183892
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)		
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		-5333
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		-333104
c Other income	2c		29
d Total income. Add all **income** amounts in column (b) and enter total	2d		-24366
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	11723	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		11723
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		0
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		11723
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		-36089
l Transfers of assets:			
(1) To this plan	2l(1)		0
(2) From this plan	2l(2)		0

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: HARRISON ACCOUNTING GROUP INC. (2) EIN: 94-2539211

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

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

Part IV Compliance Questions

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

During the plan year:

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

			Yes	No	N/A	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X		
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X		
e	Was this plan covered by a fidelity bond?	4e	X			244000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X		
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X		
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X		
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X			
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X		
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X		
l	Has the plan failed to provide any benefit when due under the plan?	4l		X		
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X		
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n				
o	Did the plan trust incur unrelated business taxable income?	4o				
p	Were in-service distributions made during the plan year?	4p				

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

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

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

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

Part V Trust Information

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

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

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

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

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

OMB No. 1210-0110

2015

This Form is Open to Public Inspection.

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

A Name of plan
KAWAHARA NURSERY , INC. 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

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

D Employer Identification Number (EIN)
99-0187033

Part I Distributions

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

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

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

EIN(s): 57-1198022

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

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KAWAHARA NURSERY, INC. 401(K) PLAN

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Herbert L. Harrison
(1938-2004)
Carl W. Flegal
(1914-2011)
W. Ralph Goodwin
(1911-2005)

INDEPENDENT AUDITORS' REPORT

August 15, 2016

To the Administrative Committee of the
Kawahara Nursery, Inc. 401(k) Plan

We were engaged to audit the accompanying financial statements of the ***KAWAHARA NURSERY, INC. 401(K) PLAN*** (the Plan) which comprise the statements of net assets available for plan benefits as of December 31, 2015 and 2014, and the related statements of changes in net assets available for plan benefits for the years then ended December 31, 2015 and 2014, 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 our audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29CFR 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 State Street Bank Co., the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedules. 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 year ended December 31, 2015, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

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

Other Matter

The supplemental schedules of Schedule H, Line 4i - Schedule of Assets (Held at End of Year) and Party-in-Interest Transactions as of or for the years ended December 31, 2015 and 2014, are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on the supplemental schedules referred to above.

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

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

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KAWAHARA NURSERY, INC. 401(K) PLAN
STATEMENTS OF NET ASSETS
AVAILABLE FOR PLAN BENEFITS
DECEMBER 31, 2015 AND 2014

	2015	2014
ASSETS		
Participant directed investments, at fair value	$ 2,292,386	$ 2,377,866
Notes receivable from participants	109,002	59,611
Total assets	2,401,388	2,437,477
LIABILITIES	-	-
NET ASSETS AVAILABLE FOR PLAN BENEFITS	$ 2,401,388	$ 2,437,477

See accompanying notes to financial statements and independent auditor's report.

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KAWAHARA NURSERY, INC. 401(K) PLAN
STATEMENTS OF CHANGES IN NET ASSETS
AVAILABLE FOR PLAN BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
ADDITIONS		
Additions to net assets attributed to:		
INVESTMENT INCOME		
Net depreciation in fair value of investments	$ (338,437)	$ (83,228)
Dividends	183,921	242,825
	(154,516)	159,597
INTEREST INCOME FROM PARTICIPANTS NOTES RECEIVABLE	3,236	3,160
	(151,280)	162,757
CONTRIBUTIONS		
Participants	126,914	116,360
Total additions	(24,366)	279,117
DEDUCTIONS		
Deductions from net assets attributed to:		
Benefits paid to participants	(11,723)	(102,430)
Total deductions	(11,723)	(102,430)
Net increase (decrease)	(36,089)	176,687
Net assets available for plan benefits:		
Beginning of year	2,437,477	2,260,790
End of year	$ 2,401,388	$ 2,437,477

See accompanying notes to financial statements and independent auditor's report.

NOTE 1 - DESCRIPTION OF THE PLAN

The following description of the Kawahara Nursery, Inc. 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan Adoption Agreement (the Agreement) for a more complete description of the Plan's provisions.

(a) General

The Plan was established effective January, 1999 as a 401(k) salary reduction plan for its employees. Employees who have completed one year of service (1,000 hours) and are at least 21 years of age are eligible to participate in the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), and as such, has been amended periodically to comply with changes made to ERISA. The plan sponsor is Kawahara Nursery, Inc. (the Company).

(b) Contributions

Participants may elect to make a basic salary reduction contribution of 1% to 15% of their compensation (in increments of 1%), subject to certain Internal Revenue Service limitations. Participants may elect to have their individual account invested in various investments.

The employer's matching contribution is discretionary. Under the Plan, participants are eligible to receive an employer match contribution if the participant is employed on the last day of the plan year. Employer matching contributions, when made, are 100% of the employees deferral amount, up to a maximum of 1% of participants compensation or $1,000. $0 was the employer matching contribution, net of forfeitures, for December 31, 2015 and 2014.

(c) Participants' Accounts

Each participants account is credited with the participant's contribution and allocations of (a) the Company's contribution and, (b) plan earnings, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

(d) Vesting

Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company's matching and discretionary contribution portion of their accounts plus actual earnings thereon is based on years of continuous service.

The employer's contributions for participants vest 0% if less than 2 years, 20% after the second year, 40% after the third year, 60% after the fourth year, 80% after the fifth year, and 100% after the sixth year.

(e) Hardship and Pre-retirement Distributions

Hardship distributions are allowed for participant accounts which are 100% vested. Pre-retirement distributions are allowed.

(f) Forfeitures

Forfeitures of non-vested Company contributions are used to reduce future Company contributions. During 2015 and 2014, $0 of forfeited participant accounts were used to reduce the Company's contributions.

KAWAHARA NURSERY, INC. 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 1 - DESCRIPTION OF THE PLAN (Continued)

(g) Administration Expenses
Certain expenses incurred in the administration of the Plan are paid directly by the Company.

(h) Notes Receivable From Participants
The Plan allows for loans to be made to participants in accordance with the provisions and restrictions of ERISA. Participants may borrow from their fund accounts a minimum of $500 up to a maximum of $50,000 or 50% of their account balance, whichever is less. The loans are secured by the balance in the participant's account and bear interest at 5.25%, which is commensurate with local prevailing rates as determined quarterly by the Plan administrator. Principal and interest are paid ratably through monthly payroll deductions.

(i) Payment of Benefits
On termination of service due to death, disability or retirement, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account, or annual installments over a period not exceeding the life expectancy of the designated beneficiary. For termination of service due to other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution. Benefits are recorded when paid.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Accounting Method
The Plan financial statements have been prepared on the accrual basis of accounting.

Investments held by a defined contribution plan are required to be reported at fair value, except for fully benefit-responsive investment contracts. Contract value is the relevant measure for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants normally would receive if they were to initiate permitted transactions under the terms of the plan.

(b) Use of Estimates
The preparation of financial statements in conformity with generally accepted accounting principles generally accepted in the United States of America ("GAAP"), requires the Plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosures of contingent assets and liabilities. Accordingly, actual results may differ from those estimates.

(c) Investment Valuation and Income Recognition
Investments in all of the funds are presented at fair value, based on the quoted market prices of the underlying securities within each fund at December 31, 2015 and 2014. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are charged directly to the borrowing participant's account and are included in administrative expenses when incurred. Delinquent participant loans are reclassified as distributions based upon the terms of the Plan document. As of December 31, 2015 and 2014, no allowance for credit losses has been recorded.

NOTE 3 - INVESTMENTS

In 1999, the Plan entered into a contract with ADP, under which ADP maintains the contributions received in a pooled account. The account is also credited with actual earnings on the underlying investments including the net appreciation (depreciation) in fair value and charged for plan withdrawals and administrative expenses.

The Plan's investments of $2,292,386 and $2,377,866 for the years ended December 31, 2015 and 2014, respectively, consist of money-market, common/collective trusts, and mutual funds, which are detailed on pages 11 and 12 of the financial statements ("Schedule H, Line 4i - Schedule of Assets (Held at End of Year) and Party-in-Interest Transactions").

The following presents investments at December 31, 2015 and 2014 that represent 5% or more of the Plan's net assets:

	2015	2014
State Street Bank, Cash Series US Govt	$ 242,796	$ 257,169
State Street Bank, S&P MD CP IDX NL J 11,859 and 11,595 shares, respectively	189,160	190,455
State Street Bank, S&P 500 IDX IX 14,655 and 14,365 shares, respectively	232,012	225,901
Neuberger Berman LGCAP Val Adv 77,647 and 62,926 shares, respectively	913,132	1,018,149
Templeton Growth - R 7,388 and 7,075 shares, respectively	160,534	167,036
	$ 1,737,634	$1,858,710

NOTE 4 - FAIR VALUE MEASUREMENTS

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

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consist of three board levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority. There were no level 2 or 3 inputs available to the plan so a description of those levels have not been provided. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value.

Level 1 Fair Value Measurements
The fair value of mutual funds and common/collective trusts is based on quoted net asset values of the shares held by the Plan at year-end. The fair values of common stocks, corporate bonds, and U.S. Government securities will be based on the closing price reported on the active market where the individual securities are traded when these type of investments become available to the Plan.

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

	Investments at fair value on December 31, 2015			
	Level 1	Level 2	Level 3	Total
Cash	$ 242,796	$ -	$ -	$ 242,796
Mutual funds	1,470,400	-	-	1,470,400
Common/collective trusts	579,190	-	-	579,190
Total investments at fair value	$ 2,292,386	$ -	$ -	$ 2,292,386

	Investments at fair value on December 31, 2014			
	Level 1	Level 2	Level 3	Total
Cash	$ 257,169	$ -	$ -	$ 257,169
Mutual funds	1,552,989	-	-	1,552,989
Common/collective trusts	567,708	-	-	567,708
Total investments at fair value	$ 2,377,866	$ -	$ -	$ 2,377,866

Losses included in the Statements of Changes in Net Assets Available for Plan Benefits for the years ended December 31, 2015 and 2014, are reported in "Net depreciaton in fair value of investments."

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KAWAHARA NURSERY, INC. 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 5 - LOANS TO PARTICIPANTS

The Plan allows for loans to be made to participants in accordance with the provision and restrictions of ERISA. The minimum loan is $500. There was $109,002 and $59,611 in outstanding loans at December 31, 2015 and 2014, respectively.

NOTE 6 - TAX STATUS

The Internal Revenue Service (IRS) has determined and informed the Company by a letter dated July 8, 2014, that a plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). 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.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS and California Franchise Tax Board. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2015, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) 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 administrator believes it is no longer subject to income tax examinations for years prior to 2011.

NOTE 7 - RELATED PARTY TRANSACTIONS

The Company provides certain accounting, administrative, and investment management services to the Plan for which no fees are charged. These transactions are exempt party-in-interest transactions.

NOTE 8 - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of Net Assets Available for Plan Benefits per the financial statements at December 31, 2015 and 2014, respectively, to Form 5500:

	2015	2014
Net Assets Available for Plan Benefits per the financial statements	$ 2,401,388	$ 2,437,477
Net Assets Available for Plan Benefits per Form 5500	$ 2,401,388	$ 2,437,477

The following is a reconciliation of the net increase (decrease) in Net Assets Available for Plan Benefits per the financial statements for the years ended December 31, 2015 and 2014, respectively, to the Form 5500:

KAWAHARA NURSERY, INC. 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 8 - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500 (Continued)

Net increase (decrease) in Net Assets Available for Plan Benefits per the financial statements	$ (36,089)	$ 176,687
Net increase (decrease) in Net Assets Available for Plan Benefits per Form 5500	$ (36,089)	$ 176,687

NOTE 9 - 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 will become 100% vested in their accounts.

NOTE 10 - RISK AND UNCERTAINTIES

The Plan invests in various investment funds. Investments in general are exposed to various risks, such as interest rate, credit, and overall volatility risk. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the Statements of Net Assets Available for Plan Benefits.

NOTE 11 - CERTIFIED INVESTMENTS

Certain information related to investments and notes receivable from participants disclosed in the accompanying financial statements and supplemental schedules, including investments and notes receivable from participants held at December 31, 2015 and 2014, and net depreciation in fair value of investments, interest and dividends for the year ended December 31, 2015, was obtained or derived from information supplied to the plan administrator and certified as complete and accurate by State Street Bank, Co. (the trustee of the Plan). State Street Bank, Co. certified the values of investments and notes receivable from participants as follows:

Investments	$ 2,292,386
Notes receivable from participants	109,002
Net Assets Available for Plan Benefits per financial statements	$ 2,401,388

NOTE 12 - SUBSEQUENT EVENTS

In preparing the financial statements, the Plan has evaluated events and transactions for potential recognition or disclosure through August 15, 2016, the date the financial statements were available to be issued.

NOTE 13 - CONCENTRATION OF CREDIT RISK INVOLVING CASH

The Plan investments consist of cash, mutual funds and common/collective trust accounts maintained by State Street Bank. The balances of those investments may have exceeded FDIC and SIPC insured limits during the year.

SUPPLEMENTARY

INFORMATION

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KAWAHARA NURSERY, INC. 401(K) PLAN
FEIN: 68-0177136
Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
AND PARTY-IN-INTEREST TRANSACTIONS
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
	State Street Bank, Cash Series US Govt	Common/Collective Trust	**	$ 242,796
	State Street Bank, Russ SC IDX VIII	Common/Collective Trust	**	8,224
	State Street Bank, AGG STR BAL SLS VII	Common/Collective Trust	**	47,890
	State Street Bank, MOD STR BAL SLS VII	Common/Collective Trust	**	67,558
	State Street Bank, S&P MD CP IDX NL J	Common/Collective Trust	**	189,160
	State Street Bank, CONS STR BAL SLS VII	Common/Collective Trust	**	34,346
	State Street Bank, S&P 500 IDX IX	Common/Collective Trust	**	232,012
	AB Growth & Income A	Registered Investment Co. Mutual Fund	**	31,115
	Alger Small Cap Growth Inst'l	Registered Investment Co. Mutual Fund	**	20,243
	Deutsche Large Cap Value A	Registered Investment Co. Mutual Fund	**	18,070
	Fidelity Adv Equity Growth	Registered Investment Co. Mutual Fund	**	21,439
	Alger Mid Cap Growth Inst'l	Registered Investment Co. Mutual Fund	**	28,122
	Oppenheimer Capital Apprec	Registered Investment Co. Mutual Fund	**	31,981
	PIMCO Total Return Fund - A	Registered Investment Co. Mutual Fund	**	89,607
	Allianzgi NFJ Smallcap Value	Registered Investment Co. Mutual Fund	**	29,633
	Neuberger Berman LGCap Val Adv	Registered Investment Co. Mutual Fund	**	913,132
	Franklin Rising Dividends - A	Registered Investment Co. Mutual Fund	**	39,474
	Templeton Growth - R	Registered Investment Co. Mutual Fund	**	160,534
	Janus Overseas Fund - S	Registered Investment Co. Mutual Fund	**	26,921
	Deutsche Global High Income	Registered Investment Co. Mutual Fund	**	60,129
	Participant loans - 5.25%	Participant loans - 5.25%		109,002
				$ 2,401,388

PARTY-IN-INTEREST TRANSACTIONS

* Denotes a party-in-interest

Harrison Accounting Group, Inc. performed attest (financial statement compilation) and non-attest services (tax return preparation and consulting) for Kawahara Nursery, Inc. (the Company) for the 2015 plan year.

** Cost omitted for participant directed investments.

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KAWAHARA NURSERY, INC. 401(K) PLAN
FEIN: 68-0177136
Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
AND PARTY-IN-INTEREST TRANSACTIONS
DECEMBER 31, 2014

(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
	State Street Bank, Cash Series US Govt	Common/Collective Trust	**	$ 257,169
	State Street Bank, Russ SC IDX VIII	Common/Collective Trust	**	7,822
	State Street Bank, AGG STR BAL SLS VII	Common/Collective Trust	**	46,164
	State Street Bank, MOD STR BAL SLS VII	Common/Collective Trust	**	65,176
	State Street Bank, S&P MD CP IDX NL J	Common/Collective Trust	**	190,455
	State Street Bank, CONS STR BAL SLS VII	Common/Collective Trust	**	32,190
	State Street Bank, S&P 500 IDX IX	Common/Collective Trust	**	225,901
	AB Growth & Income A	Registered Investment Co. Mutual Fund	**	27,615
	Alger Small Cap Growth Inst'l	Registered Investment Co. Mutual Fund	**	18,419
	Deutsche Large Cap Value A	Registered Investment Co. Mutual Fund	**	19,998
	Fidelity Adv Equity Growth	Registered Investment Co. Mutual Fund	**	16,703
	Alger Mid Cap Growth Inst'l	Registered Investment Co. Mutual Fund	**	25,888
	Oppenheimer Capital Apprec	Registered Investment Co. Mutual Fund	**	29,188
	PIMCO Total Return Fund - A	Registered Investment Co. Mutual Fund	**	83,116
	Allianzgi NFJ Small Cap Value	Registered Investment Co. Mutual Fund	**	27,465
	Neuberger Berman LGCap Val Adv	Registered Investment Co. Mutual Fund	**	1,018,149
	Franklin Rising Dividends - A	Registered Investment Co. Mutual Fund	**	37,807
	Templeton Growth - R	Registered Investment Co. Mutual Fund	**	167,036
	Janus Overseas Fund - S	Registered Investment Co. Mutual Fund	**	25,389
	Deutsche Global High Income	Registered Investment Co. Mutual Fund	**	56,216
	Participant loans - 5.25%	Participant loans - 5.25%		59,611
				$ 2,437,477

PARTY-IN-INTEREST TRANSACTIONS

* Denotes a party-in-interest

Harrison Accounting Group, Inc. performed attest (financial statement compilation) and non-attest services (tax return preparation and consulting) for Kawahara Nursery, Inc. (the Company) for the 2014 plan year.

** Cost omitted for participant directed investments.

Schedule C, Line 2(h) Formula Description

For those service providers listed on Line 2 for which Line 2(h) has been checked "yes":

For a description of indirect compensation received by service providers listed on Line 2 that was disclosed as a formula, please see Line 3(e). Please note: If indirect compensation disclosed as a formula was received by a service provider from more than one source, there will be multiple Lines 3(e) for that service provider.

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KAWAHARA NURSERY, INC. 401(K) PLAN

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INDEPENDENT AUDITORS' REPORT

August 15, 2016

To the Administrative Committee of the
Kawahara Nursery, Inc. 401(k) Plan

We were engaged to audit the accompanying financial statements of the ***KAWAHARA NURSERY, INC. 401(K) PLAN*** (the Plan) which comprise the statements of net assets available for plan benefits as of December 31, 2015 and 2014, and the related statements of changes in net assets available for plan benefits for the years then ended December 31, 2015 and 2014, 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 our audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29CFR 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 State Street Bank Co., the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedules. 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 year ended December 31, 2015, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

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

Other Matter

The supplemental schedules of Schedule H, Line 4i - Schedule of Assets (Held at End of Year) and Party-in-Interest Transactions as of or for the years ended December 31, 2015 and 2014, are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on the supplemental schedules referred to above.

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

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

Harrison Accounting Group, Inc.

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KAWAHARA NURSERY, INC. 401(K) PLAN
STATEMENTS OF NET ASSETS
AVAILABLE FOR PLAN BENEFITS
DECEMBER 31, 2015 AND 2014

	2015	2014
ASSETS		
Participant directed investments, at fair value	$ 2,292,386	$ 2,377,866
Notes receivable from participants	109,002	59,611
Total assets	2,401,388	2,437,477
LIABILITIES	-	-
NET ASSETS AVAILABLE FOR PLAN BENEFITS	$ 2,401,388	$ 2,437,477

See accompanying notes to financial statements and independent auditor's report.

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KAWAHARA NURSERY, INC. 401(K) PLAN
STATEMENTS OF CHANGES IN NET ASSETS
AVAILABLE FOR PLAN BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
ADDITIONS		
Additions to net assets attributed to:		
INVESTMENT INCOME		
Net depreciation in fair value of investments	$ (338,437)	$ (83,228)
Dividends	183,921	242,825
	(154,516)	159,597
INTEREST INCOME FROM PARTICIPANTS NOTES RECEIVABLE	3,236	3,160
	(151,280)	162,757
CONTRIBUTIONS		
Participants	126,914	116,360
Total additions	(24,366)	279,117
DEDUCTIONS		
Deductions from net assets attributed to:		
Benefits paid to participants	(11,723)	(102,430)
Total deductions	(11,723)	(102,430)
Net increase (decrease)	(36,089)	176,687
Net assets available for plan benefits:		
Beginning of year	2,437,477	2,260,790
End of year	$ 2,401,388	$ 2,437,477

See accompanying notes to financial statements and independent auditor's report.

NOTE 1 - DESCRIPTION OF THE PLAN

The following description of the Kawahara Nursery, Inc. 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan Adoption Agreement (the Agreement) for a more complete description of the Plan's provisions.

(a) General

The Plan was established effective January, 1999 as a 401(k) salary reduction plan for its employees. Employees who have completed one year of service (1,000 hours) and are at least 21 years of age are eligible to participate in the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), and as such, has been amended periodically to comply with changes made to ERISA. The plan sponsor is Kawahara Nursery, Inc. (the Company).

(b) Contributions

Participants may elect to make a basic salary reduction contribution of 1% to 15% of their compensation (in increments of 1%), subject to certain Internal Revenue Service limitations. Participants may elect to have their individual account invested in various investments.

The employer's matching contribution is discretionary. Under the Plan, participants are eligible to receive an employer match contribution if the participant is employed on the last day of the plan year. Employer matching contributions, when made, are 100% of the employees deferral amount, up to a maximum of 1% of participants compensation or $1,000. $0 was the employer matching contribution, net of forfeitures, for December 31, 2015 and 2014.

(c) Participants' Accounts

Each participants account is credited with the participant's contribution and allocations of (a) the Company's contribution and, (b) plan earnings, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

(d) Vesting

Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company's matching and discretionary contribution portion of their accounts plus actual earnings thereon is based on years of continuous service.

The employer's contributions for participants vest 0% if less than 2 years, 20% after the second year, 40% after the third year, 60% after the fourth year, 80% after the fifth year, and 100% after the sixth year.

(e) Hardship and Pre-retirement Distributions

Hardship distributions are allowed for participant accounts which are 100% vested. Pre-retirement distributions are allowed.

(f) Forfeitures

Forfeitures of non-vested Company contributions are used to reduce future Company contributions. During 2015 and 2014, $0 of forfeited participant accounts were used to reduce the Company's contributions.

KAWAHARA NURSERY, INC. 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 1 - DESCRIPTION OF THE PLAN (Continued)

(g) Administration Expenses
Certain expenses incurred in the administration of the Plan are paid directly by the Company.

(h) Notes Receivable From Participants
The Plan allows for loans to be made to participants in accordance with the provisions and restrictions of ERISA. Participants may borrow from their fund accounts a minimum of $500 up to a maximum of $50,000 or 50% of their account balance, whichever is less. The loans are secured by the balance in the participant's account and bear interest at 5.25%, which is commensurate with local prevailing rates as determined quarterly by the Plan administrator. Principal and interest are paid ratably through monthly payroll deductions.

(i) Payment of Benefits
On termination of service due to death, disability or retirement, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account, or annual installments over a period not exceeding the life expectancy of the designated beneficiary. For termination of service due to other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution. Benefits are recorded when paid.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Accounting Method
The Plan financial statements have been prepared on the accrual basis of accounting.

Investments held by a defined contribution plan are required to be reported at fair value, except for fully benefit-responsive investment contracts. Contract value is the relevant measure for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants normally would receive if they were to initiate permitted transactions under the terms of the plan.

(b) Use of Estimates
The preparation of financial statements in conformity with generally accepted accounting principles generally accepted in the United States of America ("GAAP"), requires the Plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosures of contingent assets and liabilities. Accordingly, actual results may differ from those estimates.

(c) Investment Valuation and Income Recognition
Investments in all of the funds are presented at fair value, based on the quoted market prices of the underlying securities within each fund at December 31, 2015 and 2014. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are charged directly to the borrowing participant's account and are included in administrative expenses when incurred. Delinquent participant loans are reclassified as distributions based upon the terms of the Plan document. As of December 31, 2015 and 2014, no allowance for credit losses has been recorded.

NOTE 3 - INVESTMENTS

In 1999, the Plan entered into a contract with ADP, under which ADP maintains the contributions received in a pooled account. The account is also credited with actual earnings on the underlying investments including the net appreciation (depreciation) in fair value and charged for plan withdrawals and administrative expenses.

The Plan's investments of $2,292,386 and $2,377,866 for the years ended December 31, 2015 and 2014, respectively, consist of money-market, common/collective trusts, and mutual funds, which are detailed on pages 11 and 12 of the financial statements ("Schedule H, Line 4i - Schedule of Assets (Held at End of Year) and Party-in-Interest Transactions").

The following presents investments at December 31, 2015 and 2014 that represent 5% or more of the Plan's net assets:

	2015	2014
State Street Bank, Cash Series US Govt	$ 242,796	$ 257,169
State Street Bank, S&P MD CP IDX NL J 11,859 and 11,595 shares, respectively	189,160	190,455
State Street Bank, S&P 500 IDX IX 14,655 and 14,365 shares, respectively	232,012	225,901
Neuberger Berman LGCAP Val Adv 77,647 and 62,926 shares, respectively	913,132	1,018,149
Templeton Growth - R 7,388 and 7,075 shares, respectively	160,534	167,036
	$ 1,737,634	$1,858,710

NOTE 4 - FAIR VALUE MEASUREMENTS

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

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consist of three board levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority. There were no level 2 or 3 inputs available to the plan so a description of those levels have not been provided. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value.

Level 1 Fair Value Measurements
The fair value of mutual funds and common/collective trusts is based on quoted net asset values of the shares held by the Plan at year-end. The fair values of common stocks, corporate bonds, and U.S. Government securities will be based on the closing price reported on the active market where the individual securities are traded when these type of investments become available to the Plan.

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

	Investments at fair value on December 31, 2015			
	Level 1	Level 2	Level 3	Total
Cash	$ 242,796	$ -	$ -	$ 242,796
Mutual funds	1,470,400	-	-	1,470,400
Common/collective trusts	579,190	-	-	579,190
Total investments at fair value	$ 2,292,386	$ -	$ -	$ 2,292,386

	Investments at fair value on December 31, 2014			
	Level 1	Level 2	Level 3	Total
Cash	$ 257,169	$ -	$ -	$ 257,169
Mutual funds	1,552,989	-	-	1,552,989
Common/collective trusts	567,708	-	-	567,708
Total investments at fair value	$ 2,377,866	$ -	$ -	$ 2,377,866

Losses included in the Statements of Changes in Net Assets Available for Plan Benefits for the years ended December 31, 2015 and 2014, are reported in "Net depreciaton in fair value of investments."

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KAWAHARA NURSERY, INC. 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 5 - LOANS TO PARTICIPANTS

The Plan allows for loans to be made to participants in accordance with the provision and restrictions of ERISA. The minimum loan is $500. There was $109,002 and $59,611 in outstanding loans at December 31, 2015 and 2014, respectively.

NOTE 6 - TAX STATUS

The Internal Revenue Service (IRS) has determined and informed the Company by a letter dated July 8, 2014, that a plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). 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.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS and California Franchise Tax Board. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2015, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) 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 administrator believes it is no longer subject to income tax examinations for years prior to 2011.

NOTE 7 - RELATED PARTY TRANSACTIONS

The Company provides certain accounting, administrative, and investment management services to the Plan for which no fees are charged. These transactions are exempt party-in-interest transactions.

NOTE 8 - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of Net Assets Available for Plan Benefits per the financial statements at December 31, 2015 and 2014, respectively, to Form 5500:

	2015	2014
Net Assets Available for Plan Benefits per the financial statements	$ 2,401,388	$ 2,437,477
Net Assets Available for Plan Benefits per Form 5500	$ 2,401,388	$ 2,437,477

The following is a reconciliation of the net increase (decrease) in Net Assets Available for Plan Benefits per the financial statements for the years ended December 31, 2015 and 2014, respectively, to the Form 5500:

KAWAHARA NURSERY, INC. 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 8 - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500 (Continued)

Net increase (decrease) in Net Assets Available for Plan Benefits per the financial statements	$ (36,089)	$ 176,687
Net increase (decrease) in Net Assets Available for Plan Benefits per Form 5500	$ (36,089)	$ 176,687

NOTE 9 - 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 will become 100% vested in their accounts.

NOTE 10 - RISK AND UNCERTAINTIES

The Plan invests in various investment funds. Investments in general are exposed to various risks, such as interest rate, credit, and overall volatility risk. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the Statements of Net Assets Available for Plan Benefits.

NOTE 11 - CERTIFIED INVESTMENTS

Certain information related to investments and notes receivable from participants disclosed in the accompanying financial statements and supplemental schedules, including investments and notes receivable from participants held at December 31, 2015 and 2014, and net depreciation in fair value of investments, interest and dividends for the year ended December 31, 2015, was obtained or derived from information supplied to the plan administrator and certified as complete and accurate by State Street Bank, Co. (the trustee of the Plan). State Street Bank, Co. certified the values of investments and notes receivable from participants as follows:

Investments	$ 2,292,386
Notes receivable from participants	109,002
Net Assets Available for Plan Benefits per financial statements	$ 2,401,388

NOTE 12 - SUBSEQUENT EVENTS

In preparing the financial statements, the Plan has evaluated events and transactions for potential recognition or disclosure through August 15, 2016, the date the financial statements were available to be issued.

NOTE 13 - CONCENTRATION OF CREDIT RISK INVOLVING CASH

The Plan investments consist of cash, mutual funds and common/collective trust accounts maintained by State Street Bank. The balances of those investments may have exceeded FDIC and SIPC insured limits during the year.

SUPPLEMENTARY

INFORMATION

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KAWAHARA NURSERY, INC. 401(K) PLAN
FEIN: 68-0177136
Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
AND PARTY-IN-INTEREST TRANSACTIONS
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
	State Street Bank, Cash Series US Govt	Common/Collective Trust	**	$ 242,796
	State Street Bank, Russ SC IDX VIII	Common/Collective Trust	**	8,224
	State Street Bank, AGG STR BAL SLS VII	Common/Collective Trust	**	47,890
	State Street Bank, MOD STR BAL SLS VII	Common/Collective Trust	**	67,558
	State Street Bank, S&P MD CP IDX NL J	Common/Collective Trust	**	189,160
	State Street Bank, CONS STR BAL SLS VII	Common/Collective Trust	**	34,346
	State Street Bank, S&P 500 IDX IX	Common/Collective Trust	**	232,012
	AB Growth & Income A	Registered Investment Co. Mutual Fund	**	31,115
	Alger Small Cap Growth Inst'l	Registered Investment Co. Mutual Fund	**	20,243
	Deutsche Large Cap Value A	Registered Investment Co. Mutual Fund	**	18,070
	Fidelity Adv Equity Growth	Registered Investment Co. Mutual Fund	**	21,439
	Alger Mid Cap Growth Inst'l	Registered Investment Co. Mutual Fund	**	28,122
	Oppenheimer Capital Apprec	Registered Investment Co. Mutual Fund	**	31,981
	PIMCO Total Return Fund - A	Registered Investment Co. Mutual Fund	**	89,607
	Allianzgi NFJ Smallcap Value	Registered Investment Co. Mutual Fund	**	29,633
	Neuberger Berman LGCap Val Adv	Registered Investment Co. Mutual Fund	**	913,132
	Franklin Rising Dividends - A	Registered Investment Co. Mutual Fund	**	39,474
	Templeton Growth - R	Registered Investment Co. Mutual Fund	**	160,534
	Janus Overseas Fund - S	Registered Investment Co. Mutual Fund	**	26,921
	Deutsche Global High Income	Registered Investment Co. Mutual Fund	**	60,129
	Participant loans - 5.25%	Participant loans - 5.25%		109,002
				$ 2,401,388

PARTY-IN-INTEREST TRANSACTIONS

* Denotes a party-in-interest

Harrison Accounting Group, Inc. performed attest (financial statement compilation) and non-attest services (tax return preparation and consulting) for Kawahara Nursery, Inc. (the Company) for the 2015 plan year.

** Cost omitted for participant directed investments.

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KAWAHARA NURSERY, INC. 401(K) PLAN
FEIN: 68-0177136
Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
AND PARTY-IN-INTEREST TRANSACTIONS
DECEMBER 31, 2014

(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
	State Street Bank, Cash Series US Govt	Common/Collective Trust	**	$ 257,169
	State Street Bank, Russ SC IDX VIII	Common/Collective Trust	**	7,822
	State Street Bank, AGG STR BAL SLS VII	Common/Collective Trust	**	46,164
	State Street Bank, MOD STR BAL SLS VII	Common/Collective Trust	**	65,176
	State Street Bank, S&P MD CP IDX NL J	Common/Collective Trust	**	190,455
	State Street Bank, CONS STR BAL SLS VII	Common/Collective Trust	**	32,190
	State Street Bank, S&P 500 IDX IX	Common/Collective Trust	**	225,901
	AB Growth & Income A	Registered Investment Co. Mutual Fund	**	27,615
	Alger Small Cap Growth Inst'l	Registered Investment Co. Mutual Fund	**	18,419
	Deutsche Large Cap Value A	Registered Investment Co. Mutual Fund	**	19,998
	Fidelity Adv Equity Growth	Registered Investment Co. Mutual Fund	**	16,703
	Alger Mid Cap Growth Inst'l	Registered Investment Co. Mutual Fund	**	25,888
	Oppenheimer Capital Apprec	Registered Investment Co. Mutual Fund	**	29,188
	PIMCO Total Return Fund - A	Registered Investment Co. Mutual Fund	**	83,116
	Allianzgi NFJ Small Cap Value	Registered Investment Co. Mutual Fund	**	27,465
	Neuberger Berman LGCap Val Adv	Registered Investment Co. Mutual Fund	**	1,018,149
	Franklin Rising Dividends - A	Registered Investment Co. Mutual Fund	**	37,807
	Templeton Growth - R	Registered Investment Co. Mutual Fund	**	167,036
	Janus Overseas Fund - S	Registered Investment Co. Mutual Fund	**	25,389
	Deutsche Global High Income	Registered Investment Co. Mutual Fund	**	56,216
	Participant loans - 5.25%	Participant loans - 5.25%		59,611
				$ 2,437,477

PARTY-IN-INTEREST TRANSACTIONS

* Denotes a party-in-interest

Harrison Accounting Group, Inc. performed attest (financial statement compilation) and non-attest services (tax return preparation and consulting) for Kawahara Nursery, Inc. (the Company) for the 2014 plan year.

** Cost omitted for participant directed investments.

SCHEDULE H (Form 5500)	Financial Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	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.**	**2015** **This Form is Open to Public Inspection**

For calendar plan year 2015 or fiscal plan year beginning and ending

A Name of plan	**B** Three-digit plan number (PN) ▶
C Plan sponsor's name as shown on line 2a of Form 5500	**D** Employer Identification Number (EIN)

Part I Asset and Liability Statement

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

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

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

Part II Income and Expense Statement

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

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

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)		
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: **(1)** Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		

Net Income and Reconciliation

k Net income (loss). Subtract line **2j** from line **2d**	2k		
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

(1) ☐ Unqualified **(2)** ☐ Qualified **(3)** ☐ Disclaimer **(4)** ☐ Adverse

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

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

(1) Name: **(2)** EIN:

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				
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				

			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				
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				
e	Was this plan covered by a fidelity bond?	4e				
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				
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				
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				
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				
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				
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				
l	Has the plan failed to provide any benefit when due under the plan?	4l				
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m				
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n				
o	Did the plan trust incur unrelated business taxable income?	4o				
p	Were in-service distributions made during the plan year?	4p				

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

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

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

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

Part V Trust Information

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

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

Attachment to 2015 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name KAWAHARA NURSERY , INC. 401(K) PLAN **EIN:** 99-0187033
Plan Sponsor's Name KAWAHARA NURSERY, INC. **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	AB GROWTH AND INCOME A	REGISTERED INVESTMENT COMPANY		31,115
	ALGER SMALL CAP GROWTH INSTL-I	REGISTERED INVESTMENT COMPANY		20,243
	DEUTSCHE LARGE CAP VALUE A	REGISTERED INVESTMENT COMPANY		18,070
	FIDELITY ADV EQUITY GROWTH - T	REGISTERED INVESTMENT COMPANY		21,439
	ALGER MID CAP GROWTH INSTL - I	REGISTERED INVESTMENT COMPANY		28,122
	OPPENHEIMER CAPITAL APPREC - A	REGISTERED INVESTMENT COMPANY		31,981
	PIMCO TOTAL RETURN FUND - A	REGISTERED INVESTMENT COMPANY		89,607

Attachment to 2015 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name KAWAHARA NURSERY , INC. 401(K) PLAN **EIN:** 99-0187033
Plan Sponsor's Name KAWAHARA NURSERY, INC. **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	ALLIANZGI NFJ SMALLCAP VALUE A	REGISTERED INVESTMENT COMPANY		29,633
	NEUBERGER BERMAN LGCAP VAL ADV	REGISTERED INVESTMENT COMPANY		913,132
	FRANKLIN RISING DIVIDENDS - A	REGISTERED INVESTMENT COMPANY		39,474
	TEMPLETON GROWTH - R	REGISTERED INVESTMENT COMPANY		160,534
	JANUS OVERSEAS FUND - S	REGISTERED INVESTMENT COMPANY		26,921
	DEUTSCHE GLOBAL HIGH INCOME S	REGISTERED INVESTMENT COMPANY		60,129
	PARTICIPANT LOANS	INTEREST RATES (5.25% TO 5.25%)		109,002

Attachment to 2015 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name KAWAHARA NURSERY , INC. 401(K) PLAN **EIN:** 99-0187033
Plan Sponsor's Name KAWAHARA NURSERY, INC. **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	STATE ST RUSS SC IDX VIII	COMMON/COLLECTIVE TRUST		8,224
	STATE ST S&P 500 IDX IX	COMMON/COLLECTIVE TRUST		232,012
	STATE ST S&P MD CP IDX NL J	COMMON/COLLECTIVE TRUST		189,160
	STATE ST CASH SERIES US GOVT L	COMMON/COLLECTIVE TRUST		242,796
	STATE ST CONS STR BAL SLS VII	COMMON/COLLECTIVE TRUST		34,346
	STATE ST MOD STR BAL SLS VII	COMMON/COLLECTIVE TRUST		67,558
	STATE ST AGG STR BAL SLS VII	COMMON/COLLECTIVE TRUST		47,890