

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 <u>01/01/2015</u> and ending <u>12/31/2015</u>	
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 ☒ 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:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information
1a Name of plan <u>DIFCO LABORATORIES, INC. LOCAL 246 UAW AFL-CIO RETIREMENT PLAN</u>	1b Three-digit plan number (PN) ▶ <u>002</u> 1c Effective date of plan <u>09/01/1964</u>
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) <u>DIFCO LABORATORIES, INC.</u> <u>920 HENRY STREET</u> <u>DETROIT, MI 48201</u>	2b Employer Identification Number (EIN) <u>38-0488100</u> 2c Plan Sponsor's telephone number <u>313-442-8800</u> 2d Business code (see instructions) <u>339110</u>

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	<u>Filed with authorized/valid electronic signature.</u>	<u>10/17/2016</u>	<u>SHANNON GARNER</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number)			Preparer's telephone number

3a Plan administrator's name and address ☒ 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: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 117
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) 36
a(2) Total number of active participants at the end of the plan year	6a(2) 37
b Retired or separated participants receiving benefits.....	6b 54
c Other retired or separated participants entitled to future benefits.....	6c 19
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 110
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e 9
f Total. Add lines 6d and 6e	6f 119
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1B 3H	
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ 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) ☒ 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) ☒ 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) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ <u>0</u> A (Insurance Information) (4) ☐ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

Part III	Form M-1 Compliance Information (to be completed by welfare benefit plans)
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11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

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

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

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

Receipt Confirmation Code _____

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2015 This Form is Open to Public Inspection
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For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

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

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

A Name of plan <u>DIFCO LABORATORIES, INC. LOCAL 246 UAW AFL-CIO RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>DIFCO LABORATORIES, INC.</u>	D Employer Identification Number (EIN) <u>38-0488100</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2015</u>	
2 Assets:	
a Market value	2a <u>8097040</u>
b Actuarial value	2b <u>8097040</u>
3 Funding target/participant count breakdown	
	(1) Number of participants (2) Vested Funding Target (3) Total Funding Target
a For retired participants and beneficiaries receiving payment	<u>62</u> <u>3875357</u> <u>3875357</u>
b For terminated vested participants	<u>19</u> <u>633361</u> <u>633361</u>
c For active participants	<u>36</u> <u>2173581</u> <u>2221551</u>
d Total	<u>117</u> <u>6682299</u> <u>6730269</u>
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)	☐
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b
5 Effective interest rate	5 <u>6.19%</u>
6 Target normal cost	6 <u>87360</u>

Statement by Enrolled Actuary

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

SIGN HERE		<u>09/23/2016</u>
Signature of actuary		Date
<u>TANYA L. RIZZUTO, A.S.A., E.A.</u>		<u>14-06761</u>
Type or print name of actuary		Most recent enrollment number
<u>TOWERS WATSON DELAWARE INC.</u>		<u>973-290-2500</u>
Firm name		Telephone number (including area code)
<u>8 CAMPUS DRIVE, FOURTH FLOOR</u> <u>PARSIPPANY, NJ 07054-4409</u>		
Address of the firm		

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

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2015
v. 150123

Part II Beginning of Year Carryover and Prefunding Balances		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	974835	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	974835	0
10	Interest on line 9 using prior year's actual return of <u>2.71</u> %	26418	0
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38a from prior year)		0
b(1)	Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.40</u> %		0
b(2)	Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c	Total available at beginning of current plan year to add to prefunding balance.....		0
d	Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12).....	1001253	0

Part III Funding Percentages			
14	Funding target attainment percentage.....	14	105.43 %
15	Adjusted funding target attainment percentage	15	120.30 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	123.48 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	%

Part IV Contributions and Liquidity Shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
Totals ►			18(b)	0	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:	
a Contributions allocated toward unpaid minimum required contributions from prior years.	19a 0
b Contributions made to avoid restrictions adjusted to valuation date.....	19b 0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c 0
20 Quarterly contributions and liquidity shortfalls:	
a Did the plan have a "funding shortfall" for the prior year?	☐ Yes ☒ No
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☐ Yes ☐ No
c If line 20a is "Yes," see instructions and complete the following table as applicable:	
Liquidity shortfall as of end of quarter of this plan year	
(1) 1st	(2) 2nd
(3) 3rd	(4) 4th

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

21 Discount rate:				
a Segment rates:	1st segment: 4.72 %	2nd segment: 6.11 %	3rd segment: 6.81 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 0
22 Weighted average retirement age				22 63
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	87360	
b Excess assets, if applicable, but not greater than line 31a	31b	87360	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	0	0	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	0	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...	34	0	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	0	0
36 Additional cash requirement (line 34 minus line 35)	36	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	0	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b		
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years.....	40	0	

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

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		

SCHEDULE 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 <u>01/01/2015</u> and ending <u>12/31/2015</u>	
	A Name of plan <u>DIFCO LABORATORIES, INC. LOCAL 246 UAW AFL-CIO RETIREMENT PLAN</u>	

B Three-digit plan number (PN) ► <u>002</u>

C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>DIFCO LABORATORIES, INC.</u>	D Employer Identification Number (EIN) <u>38-0488100</u>
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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)
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a Name of MTIA, CCT, PSA, or 103-12 IE:	<u>BECTON DICKINSON MASTER RET TRUST</u>
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b Name of sponsor of entity listed in (a):	<u>BECTON DICKINSON AND COMPANY</u>
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c EIN-PN <u>22-0760120-050</u>	d Entity code <u>M</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>7457951</u>
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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)
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a Name of MTIA, CCT, PSA, or 103-12 IE:	
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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)
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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)
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a Name of MTIA, CCT, PSA, or 103-12 IE:	
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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)
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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)
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a Name of MTIA, CCT, PSA, or 103-12 IE:	
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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)
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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
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code**e** Dollar value of interest in MTIA, CCT, PSA, or
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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
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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.	<small>OMB No. 1210-0110</small> 2015 This Form is Open to Public Inspection
For calendar plan year 2015 or fiscal plan year beginning <u>01/01/2015</u> and ending <u>12/31/2015</u>		
A Name of plan <u>DIFCO LABORATORIES, INC. LOCAL 246 UAW AFL-CIO RETIREMENT PLAN</u>	B Three-digit plan number (PN) ►	<u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>DIFCO LABORATORIES, INC.</u>	D Employer Identification Number (EIN) <u>38-0488100</u>	

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
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	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)	8097040	7457951
	(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)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(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	8097040	7457951

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 through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	8097040	7457951
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Part II Income and Expense Statement

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

Income

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

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		-195814
(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		-195814

Expenses**e** Benefit payment and payments to provide benefits:

(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	443275	
(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)		443275
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		443275

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-639089
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: REHMANN ROBSON LLC

(2) EIN: 38-3635706

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.)		☒		
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.)		☒		

	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.)		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.)		X		
e Was this plan covered by a fidelity bond?	X			5000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		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?		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?		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.)		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.)		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?		X		
l Has the plan failed to provide any benefit when due under the plan?		X		
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		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.				
o Did the plan trust incur unrelated business taxable income?				
p Were in-service distributions made during the plan year?				

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

A Name of plan <u>DIFCO LABORATORIES, INC. LOCAL 246 UAW AFL-CIO RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>DIFCO LABORATORIES, INC.</u>	D Employer Identification Number (EIN) <u>38-0488100</u>

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	<u>0</u>
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): <u>36-2986844</u>		
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	<u>0</u>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 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
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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.
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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

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Schedule R (Form 5500) 2015
v. 150123

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
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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
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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

Difco Laboratories, Inc. Local 246
UAW AFL-CIO Retirement Plan

Years Ended
December 31,
2015 and 2014

Financial
Statements

**DIFCO LABORATORIES, INC.
LOCAL 246 UAW AFL-CIO RETIREMENT PLAN**

 TABLE OF CONTENTS	PAGE
Independent Auditors' Report	1-2
Financial Statements	
Statements of Net Assets Available for Benefits	3
Statements of Changes in Net Assets Available for Benefits	4
Statement of Accumulated Plan Benefits	5
Statement of Changes in Accumulated Plan Benefits	6
Notes to Financial Statements	7-19

INDEPENDENT AUDITORS' REPORT

October 17, 2016

Administrative Council
DIFCO Laboratories, Inc.
Local 246 UAW AFL-CIO Retirement Plan
P.O. Box 4800
Sparks, Maryland 21152

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of *DIFCO Laboratories, Inc. Local 246 UAW AFL-CIO Retirement Plan* (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2015 and 2014, the related statements of changes in net assets available for benefits for the years then ended, the statement of accumulated plan benefits as of December 31, 2014, and the related statement of changes in accumulated plan benefits for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Independent Auditors' Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to information summarized in Note 2, which was certified by Northern Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan Administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan Administrator has obtained certifications from the trustee as of and for the years ended December 31, 2015 and 2014, that the information provided to the Plan Administrator by the trustee is complete and accurate.

Disclaimer of Opinion

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

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

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

Rehmann Lohman LLC

**DIFCO LABORATORIES, INC.
LOCAL 246 UAW AFL-CIO RETIREMENT PLAN**

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

ASSETS	December 31	
	2015	2014
Investments at fair value (equal to total assets and net assets available for benefits)		
Plan interest in Becton Dickinson and Company		
Master Retirement Trust	<u>\$ 7,457,951</u>	<u>\$ 8,097,040</u>

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

**DIFCO LABORATORIES, INC.
LOCAL 246 UAW AFL-CIO RETIREMENT PLAN**

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	Year Ended December 31	
	2015	2014
Additions to net assets attributed to		
Investment (loss) income		
Plan interest in Becton Dickinson and Company		
Master Retirement Trust	<u>\$ (154,081)</u>	<u>\$ 256,229</u>
Deductions from net assets attributed to		
Benefits paid to participants	443,275	433,469
Administrative expenses	<u>41,733</u>	<u>36,517</u>
Total deductions	<u>485,008</u>	<u>469,986</u>
Net decrease	(639,089)	(213,757)
Net assets available for benefits		
Beginning of year	<u>8,097,040</u>	<u>8,310,797</u>
End of year	<u>\$ 7,457,951</u>	<u>\$ 8,097,040</u>

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

**DIFCO LABORATORIES, INC.
LOCAL 246 UAW AFL-CIO RETIREMENT PLAN**

**STATEMENT OF ACCUMULATED PLAN BENEFITS
DECEMBER 31, 2014**

Actuarial present value of accumulated plan benefits

Vested benefits

Participants currently receiving payments	\$ 3,579,943
Terminated vested participants	573,715
Active participants	<u>1,932,263</u>

Total vested benefits **6,085,921**

Nonvested benefits 39,403

**Total actuarial present value of accumulated
plan benefits** **\$ 6,125,324**

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

**DIFCO LABORATORIES, INC.
LOCAL 246 UAW AFL-CIO RETIREMENT PLAN**

**STATEMENT OF CHANGES IN ACCUMULATED PLAN BENEFITS
YEAR ENDED DECEMBER 31, 2014**

**Increase (decrease) during the year
attributable to**

Decrease in the discount period	\$ 432,251
Benefits paid	(433,469)
Benefits accumulated and losses	(106,736)
Change in actuarial assumptions (Note 1)	253,199
	<hr/>

Net increase **145,245**

**Actuarial present value of accumulated
plan benefits**

Beginning of year	<hr/> 5,980,079
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End of year **\$ 6,125,324**

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

DIFCO LABORATORIES, INC. LOCAL 246 UAW AFL-CIO RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

1. DESCRIPTION OF THE PLAN AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following brief description of the *DIFCO Laboratories, Inc. Local 246 UAW AFL-CIO Retirement Plan* (the "Plan") is provided for general information purposes only. Additional information about the Plan agreement, vesting and benefit provisions, and the Pension Benefit Guaranty Corporation's ("PBGC") benefit guarantee can be found in the Summary Plan Description. Copies of this Summary Plan Description are available from the Plan Administrator.

Description of the Plan

General

The Plan is a defined benefit, non-contributory plan, which provides pension, death and disability benefits to all members of Local 246 of the International Union, United Automobile, Aerospace, Aircraft and Agricultural Implement Workers of America ("UAW, AFL-CIO") employed by DIFCO Laboratories, Inc. (the "Company") upon commencement of employment. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Funding Policy

The Company has agreed to contribute such amounts as are necessary to provide assets sufficient to meet the benefits to be paid to Plan members. This amount, determined by an independent actuary, is equal to the sum of the annual current service contribution attributable to a year's cost for continuous service and the prior service obligation. The Plan has met the minimum funding requirements prescribed by ERISA.

Pension Benefits

Employees with three or more years of service are entitled to monthly pension benefits beginning at normal retirement age (65) equal to \$39.00 for each year of service as of December 31, 2015. In addition, each member who retires at their normal retirement age will also receive the lesser of \$43.80 or Medicare Part B (or successor) provision per month added to their retirement benefits. Also, a participant who is permanently laid off by the Company and qualifies for retirement at the time of the layoff will receive an additional special benefit of \$35.00 per month after age 60 upon retirement in addition to the monthly benefit for each year of service in effect in the year in which they retire. The Plan permits early retirement at age 55 with benefits reduced by 5/9% for each calendar month benefits begin prior to normal retirement date. An unreduced benefit is available for participants retiring on or after age 60 with 25 years of service. Employees may elect to receive their pension benefits in the form of a joint and survivor annuity. If employees terminate before rendering five years of service and prior to becoming eligible for a retirement benefit, they lose all rights under the Plan.

DIFCO LABORATORIES, INC. LOCAL 246 UAW AFL-CIO RETIREMENT PLAN

■ NOTES TO FINANCIAL STATEMENTS

Death and Disability Benefits

If an active employee dies at pre-retirement age with at least three years of service, and has elected the Qualified Joint and Survivor Option, a benefit is payable to the spouse equal to 50% of the vested portion of the employee's accrued normal retirement benefit reduced by 5/9% for each calendar month from the date of election of such option to the date of death. Active employees who become totally and permanently disabled receive a benefit equal to their accrued benefit with payment commencing as of the date of disability. A participant retiring on Total and Permanent Disability, on or after April 25, 1994, shall receive a monthly payment of \$100 until the Participant reaches age 65 or until the participant receives a total of \$5,000, whichever occurs first.

Vesting

A participant becomes fully vested after three years of service.

Administrative Expense

The Plan's administrative expenses, including an allocation of salaries, accounting, actuarial, auditing, and legal costs, are paid by the Company and qualify as party-in-interest transactions which are exempt from prohibited transaction rules. Expenses that are paid directly by the Company are excluded from these financial statements. Fees for record keeping services are paid by the Plan.

Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan Administrator to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, disclosures of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Plan management determines the Plan's valuation policies utilizing information provided by the investment advisor and trustee. See Note 3 for a discussion of fair value measurements.

DIFCO LABORATORIES, INC. LOCAL 246 UAW AFL-CIO RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

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

Management fees and operating expenses charged to the Plan for certain investments are deducted from income earned on a daily basis and are not separately reflected. Consequently, such management fees and operating expenses are reflected as an addition to net depreciation or as a reduction to net appreciation in the aggregate fair value of such investments.

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to the services employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries.

Benefits under the Plan are based on employees' length of credited service multiplied by the benefit multiplier in effect on their retirement date. The accumulated plan benefits for active employees are based on their length of service on the date as of which the benefit information is presented (the valuation date). Benefits payable under all circumstances - retirement, death, disability, and termination of employment - are included, to the extent they are deemed attributable to employee service rendered to the valuation date.

The actuarial present value of accumulated plan benefits is determined by the Plan's actuary, and is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

The significant actuarial assumptions used in the valuation as of December 31, 2014 are as follows:

Investment return	7.50%
Life expectancy of participants	RP-2014 sex distinct annuitant and employee mortality tables with generation projection, using a modified Scale MP-2014 with increase rates converging to 0.50% in 2022
Retirement age	Normal retirement assumed to occur at age 65

DIFCO LABORATORIES, INC. LOCAL 246 UAW AFL-CIO RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

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

The following represent actuarial assumptions that changed since the last valuation.

- The segment interest rates used to calculate the funding target and target normal cost were updated from an applicable month of January 2014 to January 2015.
- The required mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality improvements.
- The ASC 960 mortality table was updated from the RP-2000 Healthy Mortality tables for both males and females projected to 2021 using Projection Scale AA to the RP-2014 sex distinct annuitant and employee mortality tables with generation projections, using a modified MP-2014 with increase rates converging to 0.50% in 2022.

Contributions

Employer contributions are recorded in the period in which they become the obligations of the Company.

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

Subsequent Events

In preparing these financial statements, Plan management has evaluated, for potential recognition or disclosure, significant events or transactions that occurred during the period subsequent to December 31, 2015, the most recent statement of net assets available for benefits presented herein, through October 17, 2016, the date these financial statements were available to be issued. No significant such events or transactions were identified.

2. INVESTMENTS

The Plan Administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Northern Trust Company, the Plan trustee, has certified the completeness and accuracy of all investment information reflected in (1) the accompanying statements of net assets available for benefits as of December 31, 2015 and 2014, (2) the changes in fair value of the Plan's Level 3 assets in Note 4, (3) the related investment activity reflected in the statements of changes in net assets available for benefits during 2015 and 2014, and (4) information summarized below and in Note 4.

DIFCO LABORATORIES, INC. LOCAL 246 UAW AFL-CIO RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

At December 31, 2015 and 2014 the Plan's interest in the Becton Dickinson and Company Master Retirement Trust represented greater than 5% of the Plan's net assets totaling \$7,457,951 and \$8,097,040, respectively (see Note 4).

3. FAIR VALUE MEASUREMENTS

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

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

Level 2: Inputs to the valuation methodology include:

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

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

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

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

The following is a description of the valuation methodologies used for assets measured at fair value. For financial assets recorded at fair value, the description includes an indication of the level of the fair value hierarchy in which the assets are classified. There have been no changes in the methodologies used at December 31, 2015 and 2014.

Cash and cash equivalents: Valued at cost which approximates fair value due to the short-term nature of such investments and are classified as Level 1.

Government and Agency - U.S.: Instruments classified as Level 1 are valued at the closing price reported on the major market on which the investments are traded. Instruments classified as Level 2 are valued based upon estimated prices, derived from market observable sources, from independent vendors' pricing models.

DIFCO LABORATORIES, INC. LOCAL 246 UAW AFL-CIO RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

Government and Agency – Foreign: Instruments classified as Level 1 are valued at the closing price reported on the major market on which the investments are traded. Instruments classified as Level 2 are valued based upon either estimated prices, derived from market observable sources, from independent vendors' pricing models or on the corroborated net asset value provided by the fund administrator, which is based on the value of the underlying assets owned by the fund, less its liabilities and then divided by the number of fund units outstanding.

Corporate debt securities: Investments classified at Level 1 are based on the closing price reported on the major market on which the investments are traded. Level 2 investments are valued based upon either estimated prices, derived from market observable sources, from independent vendors' pricing models or on the corroborated net asset value provided by the fund administrator, which is based on the value of the underlying assets owned by the fund, less its liabilities and then divided by the number of fund units outstanding.

Mortgage and asset-backed securities: Investments classified as Level 2 based upon estimated prices from independent vendors' pricing models and these prices are derived from market observable sources including: benchmark yields, reported trades, broker/dealer quotes, issuer spreads, benchmark securities, bids, offers and other market-related data.

Equity securities: Instruments classified as Level 1 are valued at the closing price reported on the major market on which the investments are traded. Instruments classified as Level 2 are valued based on the corroborated net asset value provided by the fund administrator. The Level 2 investments consist of units in commingled institutional trusts that invest in either non-U.S. equities or U.S. small capitalization equities. The Plan has no future funding commitments associated with these investments and has the right to redeem them upon one day's notice, at any time and without restriction, at their determined net asset value.

Other securities: The values of such instruments classified within Level 1 are based on the closing price reported on the major market on which the investments are traded. Investments classified within Level 2 are valued based on the net asset value provided by the fund administrator when such net asset value represents the price at which the pension plan assets could be redeemed at period end. Investments classified within Level 3 are valued based on the net asset value provided by the fund administrator when the pension plan assets could not be redeemed at period end.

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

The fair values of trust assets as of December 31, 2015 and 2014, are discussed in Note 4. The value of derivative instruments is not material at December 31, 2015 and 2014.

DIFCO LABORATORIES, INC. LOCAL 246 UAW AFL-CIO RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

4. INTEREST IN BECTON DICKINSON AND COMPANY MASTER RETIREMENT TRUST

All of the Plan's investments are held in the Becton Dickinson and Company Master Retirement Trust ("Master Trust") managed by Northern Trust Company ("Trustee"). The Master Trust was established for the investment of assets of the Plan and several other Becton Dickinson Company (parent company of DIFCO Laboratories, Inc.) sponsored retirement plans. Each participating retirement plan has an undivided interest in the Master Trust. The assets of the Master Trust are held by Northern Trust Company. At December 31, 2015 and 2014, the Plan's interest in the net assets of the Master Trust was approximately 0.66% and 0.64%, respectively. Investment income and administrative expenses relating to the Master Trust are allocated to the individual plans based upon average monthly balances invested by each plan.

The Trustee is the custodian of all investments and is authorized to execute transactions. Financial information relating to the assets held by the Trustee is included in the accompanying financial statements based on information provided by the Trustee. The Plan's share of net assets in the Master Trust was determined by the Trustee as of December 31, 2015 and 2014, on the basis of the cumulative contributions and cumulative proportional share of investment gain for the Plan, less the Plan's cumulative benefit payments and share of administrative expenses. That information, which has not been audited by independent auditors, is summarized below.

The following table represents the net assets of the Master Trust at December 31:

	2015	2014
Investments (at fair value)		
Cash and cash equivalents	\$ 27,179,050	\$ 19,525,499
Fixed income	542,306,681	663,401,702
Equity securities	348,317,637	389,909,681
Other securities	<u>207,765,087</u>	<u>195,038,141</u>
Total investments (equal to net assets available for benefits)	<u>\$ 1,125,568,455</u>	<u>\$ 1,267,875,023</u>

Investments representing 5% or more of the Master Trust's investments are as follows at December 31:

	2015	2014
Investments at fair value		
Equity securities		
SSGA Russell 1000 Index Fund	\$ 92,772,133	\$ 111,966,604
SSGA MSCI EAFE Index Fund	93,013,583	96,229,603
MFO Federated High Yield	<u>*</u>	<u>66,508,610</u>
Total investments greater than 5%	185,785,716	274,704,817
Other investments less than 5% of the Master Trust's investments	<u>939,782,739</u>	<u>993,170,206</u>
Total	<u>\$ 1,125,568,455</u>	<u>\$ 1,267,875,023</u>

**DIFCO LABORATORIES, INC.
LOCAL 246 UAW AFL-CIO RETIREMENT PLAN**

NOTES TO FINANCIAL STATEMENTS

* Investment did not represent more than 5% of the Plan's net assets available for benefits at end of year.

The following table represents the changes in net assets available for benefits of the Master Trust for the years ended December 31:

	2015	2014
Additions to net assets attributed to		
Employer contributions	\$ -	\$ 75,000,000
Interest and dividend income	<u>25,401,249</u>	<u>26,696,786</u>
Total additions	<u>25,401,249</u>	<u>101,696,786</u>
Deductions from net assets attributed to		
Benefits paid to participants	113,000,486	121,800,398
Administrative expenses	<u>6,399,240</u>	<u>5,615,388</u>
Total deductions	<u>119,399,726</u>	<u>127,415,786</u>
Net (depreciation) appreciation in fair value of investments	<u>(48,308,091)</u>	<u>11,411,618</u>
Net decrease	(142,306,568)	(14,307,382)
Net assets available for benefits		
Beginning of year	<u>1,267,875,023</u>	<u>1,282,182,405</u>
End of year	<u>\$ 1,125,568,455</u>	<u>\$ 1,267,875,023</u>

Investment income from Master Trust investments is as follows for the years ended December 31:

	2015	2014
Interest and dividend income	<u>\$ 25,401,249</u>	<u>\$ 26,696,786</u>
Net appreciation (depreciation)		
Cash and cash equivalents	\$ 526,489	\$ 299,996
Fixed income	(30,721,575)	(283,660)
Equity securities	(2,687,858)	5,993,888
Other securities	<u>(15,425,147)</u>	<u>5,401,394</u>
Net (depreciation) appreciation	<u>(48,308,091)</u>	<u>11,411,618</u>
Investment (loss) income	<u>\$ (22,906,842)</u>	<u>\$ 38,108,404</u>

**DIFCO LABORATORIES, INC.
LOCAL 246 UAW AFL-CIO RETIREMENT PLAN**

NOTES TO FINANCIAL STATEMENTS

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

2015	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 27,179,050	\$ -	\$ -	\$ 27,179,050
Fixed income				
Government and agency – U.S.	46,443,279	28,709,483	-	75,152,762
Government and agency – Foreign	45,849,706	45,673,128	-	91,522,834
Corporate debt securities	77,844,238	143,277,543	-	221,121,781
Mortgage and asset backed securities	-	154,509,304	-	154,509,304
Total fixed income	170,137,223	372,169,458	-	542,306,681
Equity securities				
Domestic	17,076,488	272,581,680	-	289,658,168
International	58,659,469	-	-	58,659,469
Total equity securities	75,735,957	272,581,680	-	348,317,637
Other securities				
Hedge funds	-	147,995,152	1,516,890	149,512,042
Real estate/commodity/ infrastructure funds	31,266,609	26,986,436	-	58,253,045
Total other securities	31,266,609	174,981,588	1,516,890	207,765,087
Total investments at fair value	\$ 304,318,839	\$ 819,732,726	\$ 1,516,890	\$1,125,568,455

DIFCO LABORATORIES, INC.
LOCAL 246 UAW AFL-CIO RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

2014	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 19,525,499	\$ -	\$ -	\$ 19,525,499
Fixed income				
Government and agency – U.S.	98,417,918	31,184,451	-	129,602,369
Government and agency – Foreign	74,063,715	50,698,459	-	124,762,174
Corporate debt securities	112,985,033	127,653,598	-	240,638,631
Mortgage and asset backed securities	-	168,398,528	-	168,398,528
Total fixed income	285,466,666	377,935,036	-	663,401,702
Equity securities				
Domestic	7,782,407	334,013,987	-	341,796,394
International	48,113,287	-	-	48,113,287
Total equity securities	55,895,694	334,013,987	-	389,909,681
Other securities				
Hedge funds	-	58,613,922	3,748,368	62,362,290
Real estate/commodity/ infrastructure funds	101,690,860	30,984,991	-	132,675,851
Total other securities	101,690,860	89,598,913	3,748,368	195,038,141
Total investments at fair value	\$ 462,578,719	\$ 801,547,936	\$ 3,748,368	\$1,267,875,023

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period. Plan management evaluates the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits.

Level 3 hedge funds totaling \$3,078,695 within the December 31, 2014 fair value hierarchy table above were transferred to Level 2 investments as of December 31, 2015 due to the expiration of lock-up provisions. As of December 31, 2015, these hedge funds totaled \$3,195,889.

**DIFCO LABORATORIES, INC.
LOCAL 246 UAW AFL-CIO RETIREMENT PLAN**

NOTES TO FINANCIAL STATEMENTS

A portion of the Trust's assets consists of investments in cash and cash equivalents, primarily to accommodate liquidity requirements relating to trade settlement and benefit payment activity.

The U.S. portion of fixed income assets is invested in mortgage-backed, corporate, government and agency and asset-backed instruments. Mortgage-backed securities consist of residential mortgage pass-through certificates. Corporate debt securities are diversified across industry and sector and, while consisting primarily of investment grade instruments, include an allocation to high-yield debt as well. U.S. government investments consist of obligations of the U.S. Treasury other U.S. government agencies, state governments and local municipalities. The non-U.S. portion of fixed income investments consists primarily of government and corporate bonds in developed markets and emerging markets.

Equity securities included within the Trust's assets consist of fund investments in publicly-traded U.S. and non-U.S. equity securities. In order to achieve appropriate diversification; these portfolios are allocated among multiple asset managers and invested across market sectors, investment styles, capitalization weights and geographic regions.

Other securities include fund investments comprised of underlying assets of real estate, infrastructure, commodities, and hedge funds.

The following table sets forth a summary of changes in the fair value of the Plan's Level 3 assets for the years ended December 31:

	Other Securities - Hedge Funds	
	2015	2014
Balance, beginning of year	\$ 3,748,368	\$ 12,609,522
Transfer from Level 3 to Level 2 due to release of lock up provisions	(3,078,695)	(12,609,522)
Purchases	700,000	3,900,000
Unrealized gain (loss) relating to instruments held at the reporting date	<u>147,217</u>	<u>(151,632)</u>
Balance, end of year	<u>\$ 1,516,890</u>	<u>\$ 3,748,368</u>
The amount of total gain (loss) for the period attributable to the change in unrealized gain (loss) relating to assets still held at the reporting date.		
	<u>\$ 147,217</u>	<u>\$ (151,632)</u>

In estimating fair value of the investments in Level 3, the Plan management may use third-party pricing sources or appraisers. In substantiating the reasonableness of the pricing data provided by third parties, Plan management evaluates a variety of factors including review of methods and assumptions used by external sources, recently executed transactions, existing contracts, economic conditions, industry and market developments, and overall credit ratings.

DIFCO LABORATORIES, INC.

LOCAL 246 UAW AFL-CIO RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

5. RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments are managed by Northern Trust Company. Northern Trust Company is the trustee of the Plan and, therefore, these transactions qualify as party-in-interest. Fees paid by the Plan for administrative services to Northern Trust Company amounted to \$41,733 and \$36,517 in 2015 and 2014, respectively.

6. TAX STATUS

The Internal Revenue Service has determined and informed the Company by a letter, dated October 9, 2012, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code ("IRC"). The Plan has been amended since receiving the determination letter. However, the Plan Administrator believes that the Plan is currently designed and is currently being operated in compliance with the applicable requirements of the IRC.

The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2015 and 2014, 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 may be subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan Administrator believes it is no longer subject to income tax examinations for years prior to 2012.

7. PLAN TERMINATION

Although it has not expressed any intention to do so, the Company has the right to terminate the Plan subject to certain provisions set forth in ERISA. In the event the Plan terminates, all accrued normal retirement benefits to the date of termination would become fully vested, and the net assets of the Plan would be allocated, as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

- A. Annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under Plan provisions in effect at any time during the five years preceding Plan termination.
- B. Other vested benefits insured by the Pension Benefit Guaranty Corporation ("PBGC," a U.S. government agency) up to the applicable limitations (discussed subsequently).
- C. All other vested benefits (that is, vested benefits not insured by the PBGC).
- D. All nonvested benefits.

DIFCO LABORATORIES, INC. LOCAL 246 UAW AFL-CIO RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

Certain benefits under the plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations, and may also depend on the financial condition of the Plan Sponsor and the level of benefits guaranteed by the PBGC.

8. RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the fair 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 benefits and the statements of changes in net assets available for benefits.

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

9. RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500

The following is a reconciliation of investment income reported in these financial statements for the years ended December 31 to the amounts reported on Schedule H of Form 5500:

	2015	2014
Investment income reported in these financial statements	\$ (154,081)	\$ 256,229
Less: Administrative expenses reported in these financial statements	<u>(41,733)</u>	<u>(36,517)</u>
Investment income reported on Schedule H of Form 5500	<u>\$ (195,814)</u>	<u>\$ 219,712</u>

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SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26
Schedule of Active Participant Data as of January 1, 2015

Attained Age	Years of Credited Service									
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & Over
	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.
Under 25	0	1	0	0	0	0	0	0	0	0
25 - 29	2	1	0	0	0	0	0	0	0	0
30 - 34	0	2	0	0	0	0	0	0	0	0
35 - 39	0	1	1	1	0	0	0	0	0	0
40 - 44	0	2	3	2	0	0	0	0	0	0
45 - 49	0	0	2	1	0	0	0	0	0	0
50 - 54	0	0	0	0	0	1	0	0	0	0
55 - 59	0	1	0	0	0	1	0	1	4	1
60 - 64	0	0	1	1	1	0	0	0	2	2
65 - 69	0	0	0	0	0	0	0	0	0	1
70 & Over	0	0	0	0	0	0	0	0	0	0

Plan Name: Difco Laboratories, Inc. Local 246 UAW AFL-CIO Retirement Plan
 EIN / PN: 38-0488100 / 002
 Plan Sponsor: Difco Laboratories, Inc.
 Valuation Date: January 1, 2015

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Statement of Actuarial Assumptions/Methods

Economic Assumptions

Interest rate basis:

- | | |
|---|-----------------|
| ● Applicable month | January |
| ● Interest rate basis | 3-Segment Rates |
| ● MAP-21 as amended by HATFA applied for funding | Yes |
| ● MAP-21 as amended by HATFA applied for benefit restrictions | Yes |

Interest rates:

- | | Reflecting
MAP-21 as
amended by
HATFA
Corridors | Not Reflecting
Corridors |
|---------------------------|---|-----------------------------|
| ● First segment rate | 4.72% | 1.22% |
| ● Second segment rate | 6.11% | 4.11% |
| ● Third segment rate | 6.81% | 5.20% |
| ● Effective interest rate | 6.19% | 4.27% |

Annual rates of increase

- | | |
|-------------------------------------|-----|
| ● Compensation: | N/A |
| ● Future Social Security wage bases | N/A |
| ● Statutory limits on compensation | N/A |

Plan Name:	Difco Laboratories, Inc. Local 246 UAW AFL-CIO Retirement Plan
EIN / PN:	38-0488100 / 002
Plan Sponsor:	Difco Laboratories, Inc.
Valuation Date:	January 1, 2015

SCHEDULE SB ATTACHMENTS

Demographic Assumptions

Inclusion date	The valuation date coincident with or next following the date on which the employee becomes a participant.
New or rehired employees	It was assumed there will be no new or rehired employees.
Mortality	For all participants, the prescribed mortality assumption under section 430(h)(3)(A) of the Internal Revenue Code using static tables with separate mortality rates for annuitants and non-annuitants.
Termination	Rates varying by age and gender.

Representative Termination Rates

Percentage leaving during the year		
Attained Age	Males	Females
20	7.5%	12.5%
25	5.0%	7.5%
30	3.5%	5.0%
35	2.5%	3.5%
40	1.5%	2.5%
45	1.0%	1.5%
50	0.5%	1.0%
55	0.0%	0.5%
60+	0.0%	0.0%

Disability	40% of disability incidence under the 1972 – 1976 OASDI study
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Plan Name:	Difco Laboratories, Inc. Local 246 UAW AFL-CIO Retirement Plan
EIN / PN:	38-0488100 / 002
Plan Sponsor:	Difco Laboratories, Inc.
Valuation Date:	January 1, 2015

SCHEDULE SB ATTACHMENTS

Retirement

For purposes of determining the Funding Target and Target Normal Cost (both disregarding at-risk assumptions), the rates at which participants retire by age are shown below.

Percentage retiring during the year	
Age	Rate
55	5.0%
56	3.0%
57	3.0%
58	3.0%
59	3.0%
60	3.0%
61	3.0%
62	25.0%
63	10.0%
64	10.0%
65	75.0%
66	75.0%
67	75.0%
68	75.0%
69	75.0%
70	100.0%

Benefit commencement date:

- Preretirement death benefit The first day of the month following the later of the participant's date of death or the date the participant would have attained age 55.
- Deferred vested benefit Age 60 if the participant is younger than 60, and age 65 if the participant is older than 60.
- Disability benefit Upon disablement
- Retirement benefit Upon termination of employment

Form of payment

Single participants are assumed to elect a single life annuity. 75% of married participants are assumed to elect a single life

Plan Name: Difco Laboratories, Inc. Local 246 UAW AFL-CIO Retirement Plan
EIN / PN: 38-0488100 / 002
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SCHEDULE SB ATTACHMENTS

annuity, and 25% to elect a 50% joint and survivor annuity.

Percent married

85%. Used to value pre-retirement surviving spouse benefits and in determining the optional forms expected to be elected at commencement.

Spouse age

Female spouses are assumed to be three years younger than male spouses.

Administrative expenses

For purposes of Target Normal Cost, the amount included for administrative expenses is \$8,000.

Methods

Valuation date

First day of plan year

Funding target

Present value of accrued benefits as required by regulations under IRC §430

Target normal cost

Present value of benefits expected to accrue during the plan year plus plan-related expenses expected to be paid from plan assets during the plan year as required by regulations under IRC §430.

Actuarial value of assets

The actuarial value of assets is equal to the market value of assets as of the valuation date plus the discounted present value of contributions made after the valuation date for the 2014 plan year, discounted using the effective interest rate for 2014 plan year.

Benefits not valued

All benefits described in the Plan Provisions section of this report were valued except the Special Normal Retirement Benefit. Such benefits are considered to have a de minimis likelihood of being paid and thus are not required to be valued, and will not be valued, until and unless the triggering event occurs.

The plan pays small benefits (with a present value up to \$1,000) in a single lump sum payment. Such lump sums are not explicitly valued; rather such participants' benefits are valued using the form of payment election assumptions described above.

Plan Name: Difco Laboratories, Inc. Local 246 UAW AFL-CIO Retirement Plan
EIN / PN: 38-0488100 / 002
Plan Sponsor: Difco Laboratories, Inc.
Valuation Date: January 1, 2015

SCHEDULE SB ATTACHMENTS

Assumptions Rationale - Significant Economic Assumptions

Discount rate	The basis chosen was selected by the plan sponsor from among choices prescribed by law, all of which are based on observed market data over certain periods of time.
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Assumptions Rationale - Significant Demographic Assumptions

Healthy Mortality	Assumptions used are as prescribed by IRC §430(h).
Disabled Mortality	Assumptions used are as prescribed by IRC §430(h).
Termination	A plan specific study has not been performed due to the small size of the plan population and the correspondingly low credibility of past behavior to predict future behavior. The rates were selected to reflect anticipated experience for a union workforce.
Disability	A plan specific study has not been performed due to the small size of the plan population and the correspondingly low credibility of past behavior to predict future behavior. A disability incidence table based on large group study was selected with a modification to reflect the age of the standard table and changes in disability management practices.
Retirement	A plan specific study has not been performed due to the small size of the plan population and the correspondingly low credibility of past behavior to predict future behavior. The rates were chosen to be reasonable for a union workforce with subsidized early retirement benefits.
Benefit commencement date for deferred vested benefits	Assumption reflects a modest deferral assumption given that the current deferred vested population does not generally opt to commence at the earliest retirement date but reflects an expectation that some participants will commence before Normal Retirement Date given the existence of subsidized early commencement.

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SCHEDULE SB ATTACHMENTS

Source of Prescribed Methods

Funding methods

The methods used for funding purposes as described above, including the method of determining plan assets, are "prescribed methods set by law", as defined in the actuarial standards of practice (ASOPs). These methods are required by IRC §430, or were selected by the plan sponsor from a range of methods permitted by IRC §430.

Changes in Assumptions and Methods

Change in assumptions since prior valuation

The segment interest rates used to calculate the funding target and target normal cost were updated from an applicable month of January 2014 to January 2015 as required by IRC §430.

The mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality improvements, as required by IRC §430.

Plan Name:	Difco Laboratories, Inc. Local 246 UAW AFL-CIO Retirement Plan
EIN / PN:	38-0488100 / 002
Plan Sponsor:	Difco Laboratories, Inc.
Valuation Date:	January 1, 2015

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2015 This Form is Open to Public Inspection
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For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015	
▶ Round off amounts to nearest dollar.	
▶ Caution: A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.	
A Name of plan DIFCO LABORATORIES, INC. LOCAL 246 UAW AFL-CIO RETIREMENT PLAN	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF DIFCO LABORATORIES, INC.	D Employer Identification Number (EIN) 38-0488100
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I Basic Information			
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2015</u>			
2 Assets:			
a Market value.....		2a	8,097,040
b Actuarial value.....		2b	8,097,040
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment.....	62	3,875,357	3,875,357
b For terminated vested participants.....	19	633,361	633,361
c For active participants.....	36	2,173,581	2,221,551
d Total.....	117	6,682,299	6,730,269
4 If the plan is in at-risk status, check the box and complete lines (a) and (b) ☐			
a Funding target disregarding prescribed at-risk assumptions		4a	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor		4b	
5 Effective interest rate.....	5	6.19%	
6 Target normal cost.....	6	87,360	

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

SIGN HERE	TANYA L. RIZZUTO 	9/23/2016
Signature of actuary		Date
TANYA L. RIZZUTO, A.S.A., E.A.		1406761
Type or print name of actuary		Most recent enrollment number
TOWERS WATSON DELAWARE INC.		973-290-2500
Firm name		Telephone number (including area code)
8 CAMPUS DRIVE, FOURTH FLOOR		
PARSIPPANY NJ 07054-4409		
Address of the firm		

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year).....	974,835	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	974,835	0
10 Interest on line 9 using prior year's actual return of <u>2.71</u> %	26,418	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year).....		0
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.40</u> %		0
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance.....		0
d Portion of (c) to be added to prefunding balance.....		0
12 Other reductions in balances due to elections or deemed elections.....	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	1,001,253	0

Part III Funding Percentages

14 Funding target attainment percentage	14	105.43%
15 Adjusted funding target attainment percentage	15	120.30%
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	123.48%
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and Liquidity Shortfalls**18** Contributions made to the plan for the plan year by employer(s) and employees:

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

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contributions from prior years.....	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	0

20 Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No
- b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No
- c** If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

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

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

21 Discount rate:				
a Segment rates:	1st segment: 4.72%	2nd segment: 6.11%	3rd segment: 6.81%	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 0
22 Weighted average retirement age				22 63
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	87,360	
b Excess assets, if applicable, but not greater than line 31a	31b	87,360	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	0	0	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	0	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	0	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0
36 Additional cash requirement (line 34 minus line 35)	36	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	0	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b		
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

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

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		

SCHEDULE SB ATTACHMENTS

Schedule SB - Statement by Enrolled Actuary

Plan Sponsor	Difco Laboratories, Inc.
EIN/PN	38-0488100/002
Plan Name	Difco Laboratories, Inc. Local 246 UAW AFL-CIO Retirement Plan
Valuation Date	January 1, 2015
Enrolled Actuary	Tanya L. Rizzuto, A.S.A., E.A.
Enrollment Number	14-06761

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

Plan Name:	Difco Laboratories, Inc. Local 246 UAW AFL-CIO Retirement Plan
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Valuation Date:	January 1, 2015

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 22 Description of Weighted Average Retirement Age as of January 1, 2015

(1) Ages	(2) Rate of Retirement	(3) Remaining Active (3) at AGE-1 x (1-(2))	(4) Number Retiring (3) at AGE-1 minus (3) at AGE	(5) Ages * Number Retiring (1) x (4)
		1.0000		
50	0.000	1.0000	0.0000	0.00
51	0.000	1.0000	0.0000	0.00
52	0.000	1.0000	0.0000	0.00
53	0.000	1.0000	0.0000	0.00
54	0.000	1.0000	0.0000	0.00
55	0.050	0.9500	0.0500	2.75
56	0.030	0.9215	0.0285	1.60
57	0.030	0.8939	0.0276	1.57
58	0.030	0.8671	0.0268	1.55
59	0.030	0.8411	0.0260	1.53
60	0.030	0.8159	0.0252	1.51
61	0.030	0.7914	0.0245	1.49
62	0.250	0.5936	0.1978	12.26
63	0.100	0.5342	0.0594	3.74
64	0.100	0.4808	0.0534	3.42
65	0.750	0.1202	0.3606	23.44
66	0.750	0.0301	0.0901	5.95
67	0.750	0.0075	0.0226	1.51
68	0.750	0.0019	0.0056	0.38
69	0.750	0.0005	0.0014	0.10
70	1.000	0.0000	0.0005	0.04

Average Retirement Age:

62.85

63

The determination of the average retirement age assumes employees continue in employment until reaching the first age of retirement eligibility with the required number of years of service. After this point, only the retirement decrement is recognized.

Plan Name: Difco Laboratories, Inc. Local 246 UAW AFL-CIO Retirement Plan
 EIN / PN: 38-0488100 / 002
 Plan Sponsor: Difco Laboratories, Inc.
 Valuation Date: January 1, 2015

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Summary of Plan Provisions

Plan Provisions

The most recent amendment reflected in the following plan provisions was adopted on May 27, 2010 and effective May 1, 2010.

Covered employees All employees covered by the collective bargaining agreement between BD and the UAW; AFL-CIO Local 246 participate as of their employment commencement date.

Participation date Full-time and part-time employees begin participation on the date they commence employment.

Definitions

Vesting service Prior to January 1, 1976 an employee receives one year of service for each year or portion of a year employed. On or after January 1, 1976 an employee receives one year of service for each year in which the employee is credited with at least 1000 hours. Vesting service shall not be less than credited service.

Credited service Service from date of hire to date of termination, based on the number of hours worked during each plan year. A full year is credited for 1,700 hours worked, with proportionate credit to nearest 1/10th of a year if the employee works less than 1,700 hours.

Normal retirement date (NRD) A participant may retire on the normal retirement date which is the first day of the month coinciding with or following age 65 and the completion of 3 years of service.

Monthly pension benefit Years of credited service multiplied by the following:
Retirements Prior to May 1, 2008: Amount in effect as of retirement date:

Effective May 1, 2008: \$36
Effective May 1, 2013: \$37
Effective May 1, 2014: \$38

Plan Name: Difco Laboratories, Inc. Local 246 UAW AFL-CIO Retirement Plan
EIN / PN: 38-0488100 / 002
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Valuation Date: January 1, 2015

SCHEDULE SB ATTACHMENTS

Eligibility for Benefits

Normal retirement	Retirement on NRD
Early retirement	Attainment of age 55 and completion of 3 years of service
Postponed retirement	A participant may continue in the active service of the Company after normal retirement date.
Vested termination	Completion of 3 years of vesting service.
Disability	Total and permanent disability, eligibility for disability benefits under the Federal Social Security Act and 10 years of service.
Preretirement death benefit	3 years of service and married for at least one year.
Special Normal Retirement Benefit	Employees who are permanently laid off and retire from active employment during the April 28, 2010 through April 27, 2015 collective bargaining agreement shall be eligible.
Medicare B Supplement	Any retiree who retired under the normal, early or disability retirement provisions of the plan or otherwise terminates with 25 years of service on or after April 28, 2010.

Benefits Paid Upon the Following Events

Normal retirement	The monthly pension benefit determined as of NRD
Early retirement	Accrued benefit deferred to age 65 or payable immediately but reduced 1/3% for each complete calendar month that benefits begin prior to normal retirement date. An unreduced benefit is payable immediately for participants retiring on or after age 60 with 25 years of service.
Postponed retirement	If retirement occurs after the normal retirement date, the later retirement income will be equal to the accrued benefit calculated using credited service and benefit rate in effect as of the late retirement date.
Vested termination	Accrued benefit deferred to normal retirement date or a reduced benefit (1/3% for each completed calendar month prior to normal date) payable on or after age 55. For termination prior to April 28, 2000, a reduced benefit (5/9% for each completed month prior to the normal retirement date)

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SCHEDULE SB ATTACHMENTS

is payable on or after age 60.

Disablement

Accrued benefit is payable as of the date of disability.

Preretirement death

The surviving spouse will receive a 50% survivor benefit computed as if the employee had terminated employment on the date of death, survived until the benefit commencement date and elected the 50% Joint & Survivor annuity. The benefit is reduced for early commencement and the election of the 50% Joint & Survivor Annuity. The benefit commencement date is the first day of the month following the later of the date of death, the date the employee would have attained age 55 or a later date as the spouse may elect.

Special Normal Retirement Benefit

Upon attaining age 60, eligible retirees will receive a supplemental benefit of \$35.00 per month in addition to their regular benefits.

Special Age 65 Benefit

Upon attaining age 65 the eligible retirees will receive the lesser of \$43.80 per month or the Medicare Part B premium.

Other Plan Provisions

Forms of payment

Automatic form for unmarried participants – single life annuity.

Automatic form for married participants – 50% joint and survivor annuity, actuarially equivalent to the single life amount.

Optional form – joint and survivor option with 75% payable to spouse at death of retiree, lump sum payments for values under \$1,000.

Maximum on benefits and pay

All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective. Increases in the dollar limits are not assumed for determining contributions. These results do not anticipate any increases in the limits beyond those in effect as of the valuation date.

Future Plan Changes

No future plan changes were recognized in determining minimum and maximum contributions.

Changes in Benefits Valued Since Prior Year

There have been no changes in benefits valued since the prior year.

Plan Name: Difco Laboratories, Inc. Local 246 UAW AFL-CIO Retirement Plan
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Valuation Date: January 1, 2015