

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>04/01/2015</u> and ending <u>03/31/2016</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>API FOILS NORTH AMERICA PENSION PLAN</u>	1b Three-digit plan number (PN) ▶ <u>001</u> 1c Effective date of plan <u>11/01/1985</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>API FOILS, INC.</u> <u>3841 GREENWAY CIR</u> <u>LAWRENCE, KS 66046-5444</u>	2b Employer Identification Number (EIN) <u>48-1199126</u> 2c Plan Sponsor's telephone number <u>785-842-7674</u> 2d Business code (see instructions) <u>323100</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>01/17/2017</u>	<u>MICHELE GIGLIETTA</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>01/17/2017</u>	<u>MICHELE GIGLIETTA</u>
	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 API FOILS, INC. 3841 GREENWAY CIR LAWRENCE, KS 66046-5444	3b Administrator's EIN 48-1199126
	3c Administrator's telephone number 785-842-7674
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	5 151
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) 40
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 16
c Other retired or separated participants entitled to future benefits.....	6c 79
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 132
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e 5
f Total. Add lines 6d and 6e	6f 137
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: 1I 3H	
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ 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>1</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 A (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Insurance 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. ▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	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 04/01/2015 and ending 03/31/2016

A Name of plan API FOILS NORTH AMERICA PENSION PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 API FOILS, INC.	D Employer Identification Number (EIN) 48-1199126

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
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1 Coverage Information:

(a) Name of insurance carrier
PRUDENTIAL RETIREMENT INSURANCE AND ANNUITY COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
06-1050034	93629	017299	137	04/01/2015	03/31/2016

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid 9557	(b) Total amount of fees paid 0
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3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

KEVIN J BRODERICK
610 W GERMANTOWN AVENUE, SUITE 350
PLYMOUTH MEETING, PA 19462

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
9557			4

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

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

Schedule A (Form 5500) 2015
v. 150123

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end	4	0
5 Current value of plan's interest under this contract in separate accounts at year end	5	2761657

6 Contracts With Allocated Funds:**a** State the basis of premium rates ▶

b Premiums paid to carrier	6b	
c Premiums due but unpaid at the end of the year	6c	
d If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. Specify nature of costs ▶	6d	

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity
(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ☐**7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)**

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee
(3) ☐ guaranteed investment (4) ☐ other ▶

b Balance at the end of the previous year	7b	0
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c Additions: (1) Contributions deposited during the year	7c(1)		
(2) Dividends and credits	7c(2)		
(3) Interest credited during the year	7c(3)		
(4) Transferred from separate account	7c(4)		
(5) Other (specify below)	7c(5)		
▶			

(6) Total additions **7c(6)** 0

d Total of balance and additions (add lines 7b and 7c(6))	7d	0
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e Deductions:			
(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)		
(2) Administration charge made by carrier	7e(2)		
(3) Transferred to separate account	7e(3)		
(4) Other (specify below)	7e(4)		
▶			

(5) Total deductions **7e(5)** 0

f Balance at the end of the current year (subtract line 7e(5) from line 7d)	7f	0
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Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
b ☐ Dental
c ☐ Vision
d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
f ☐ Long-term disability
g ☐ Supplemental unemployment
h ☐ Prescription drug
i ☐ Stop loss (large deductible)
j ☐ HMO contract
k ☐ PPO contract
l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received.....	9a(1)		
(2) Increase (decrease) in amount due but unpaid.....	9a(2)		
(3) Increase (decrease) in unearned premium reserve.....	9a(3)		
(4) Earned ((1) + (2) - (3)).....		9a(4)	
b Benefit charges (1) Claims paid.....	9b(1)		
(2) Increase (decrease) in claim reserves.....	9b(2)		
(3) Incurred claims (add (1) and (2)).....		9b(3)	
(4) Claims charged.....		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions.....	9c(1)(A)		
(B) Administrative service or other fees.....	9c(1)(B)		
(C) Other specific acquisition costs.....	9c(1)(C)		
(D) Other expenses.....	9c(1)(D)		
(E) Taxes.....	9c(1)(E)		
(F) Charges for risks or other contingencies.....	9c(1)(F)		
(G) Other retention charges.....	9c(1)(G)		
(H) Total retention.....		9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.).....		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement.....		9d(1)	
(2) Claim reserves.....		9d(2)	
(3) Other reserves.....		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).).....		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier.....	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount.....	10b	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

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 04/01/2015 and ending 03/31/2016

▶ **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 API FOILS NORTH AMERICA PENSION PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF API FOILS, INC.	D Employer Identification Number (EIN) 48-1199126
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 04 Day 01 Year 2015	
2 Assets:	
a Market value	2a 3348221
b Actuarial value	2b 3292377
3 Funding target/participant count breakdown	
a For retired participants and beneficiaries receiving payment	(1) Number of participants 19 (2) Vested Funding Target 451048 (3) Total Funding Target 451048
b For terminated vested participants	92 2306482 2306482
c For active participants	40 721806 721806
d Total	151 3479336 3479336
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 5.99%
6 Target normal cost	6 35000

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		12/14/2016
	Signature of actuary	Date
ERIC PERS	Type or print name of actuary	14-08115
		Most recent enrollment number
PRIAC	Firm name	860-534-4456
		Telephone number (including area code)
280 TRUMBULL STREET HARTFORD, CT 06103	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)	0	25056
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)	0	25056
10 Interest on line 9 using prior year's actual return of <u>7.77</u> %	0	1947
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		10
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>6.19</u> %		1
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		11
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)	0	27003

Part III Funding Percentages		
14 Funding target attainment percentage	14	93.85 %
15 Adjusted funding target attainment percentage	15	93.85 %
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	92.30 %
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
07/24/2015	37934				
10/05/2015	37934				
01/12/2016	37934				
04/01/2016	37934				
			Totals ►	18(b)	151736
				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	
b Contributions made to avoid restrictions adjusted to valuation date	19b	
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	146080
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
0	0	0
		(4) 4th
		0

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 4
22 Weighted average retirement age				22 65
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	
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	
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	35000	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	213962	101003	
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	136003	
	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	136003	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	146080	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	10077	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
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		

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

For calendar plan year 2015 or fiscal plan year beginning 04/01/2015 and ending 03/31/2016		
A Name of plan API FOILS NORTH AMERICA PENSION PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 API FOILS, INC.	D Employer Identification Number (EIN) 48-1199126	

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☒ No
- b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
PRUDENTIAL RETIREMENT INS & ANNUITY
06-1050034

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

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

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

Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	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 <hr/> 2015 <hr/> This Form is Open to Public Inspection.
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For calendar plan year 2015 or fiscal plan year beginning 04/01/2015 and ending 03/31/2016

A Name of plan <u>API FOILS NORTH AMERICA PENSION PLAN</u>	B Three-digit plan number (PN) ► <u>001</u>	
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>API FOILS, INC.</u>	D Employer Identification Number (EIN) <u>48-1199126</u>	

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>REAL ESTATE / AM CENTURY FUND</u>				
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS</u>				
c EIN-PN <u>06-1050034-438</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>88093</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>CORE PLUS BOND / PGIM FUND</u>				
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS</u>				
c EIN-PN <u>06-1050034-299</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>1384211</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>INTL BLEND/AQR</u>				
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS</u>				
c EIN-PN <u>06-1050034-125</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>169902</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>LARGE CAP BLEND/MFS</u>				
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS</u>				
c EIN-PN <u>06-1050034-177</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>364044</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>LARGE CAP GROWTH/JP MORGAN</u>				
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS</u>				
c EIN-PN <u>06-1050034-141</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>283788</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>LARGE CAP VALUE/LSV ASSET MGMT</u>				
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS</u>				
c EIN-PN <u>06-1050034-318</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>279414</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRUDENTIAL SHORT-TERM</u>				
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS</u>				
c EIN-PN <u>06-1050034-041</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>62486</u>		

a Name of MTIA, CCT, PSA, or 103-12 IE: **SMALL CAP GROWTH/RBC****b** Name of sponsor of entity listed in (a): **PRUDENTIAL RETIREMENT INS**

c EIN-PN 06-1050034-319	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 68399
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a Name of MTIA, CCT, PSA, or 103-12 IE: **SMALL CAP VALUE/KENNEDY CAPIT****b** Name of sponsor of entity listed in (a): **PRUDENTIAL RETIREMENT INS**

c EIN-PN 06-1050034-257	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 61320
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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:**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:**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:**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:**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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Part II Information on Participating Plans (to be completed by DFEs)

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

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

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>04/01/2015</u> and ending <u>03/31/2016</u>		
A Name of plan <u>API FOILS NORTH AMERICA PENSION PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>API FOILS, INC.</u>	D Employer Identification Number (EIN) <u>48-1199126</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)	40752		37934
(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)	3307970		2761657
(11) Value of interest in master trust investment accounts	1c(11)			
(12) Value of interest in 103-12 investment entities	1c(12)			
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)			
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)			
(15) Other	1c(15)			

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	3348722	2799591

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	3348722	2799591
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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 Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	151369	
(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)		151369

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)		
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(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)		-36555
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		114814

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

(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	630786	
(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)		630786
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)	33159	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		33159
j Total expenses. Add all expense amounts in column (b) and enter total	2j		663945

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-549131
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: MONTGOMERY COSCIA GREILICH LLP

(2) EIN: 75-2919818

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

	Yes	No	N/A	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		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			1000000
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.)				
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 04/01/2015 and ending 03/31/2016

A Name of plan <u>API FOILS NORTH AMERICA PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>API FOILS, INC.</u>	D Employer Identification Number (EIN) <u>48-1199126</u>

Part I	Distributions
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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>22-1211670</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>12</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
-----------------	-------------------

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

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

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14	Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:		14a	
	a The current year		14b	
	b The plan year immediately preceding the current plan year		14c	
	c The second preceding plan year			
15	Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:			
	a The corresponding number for the plan year immediately preceding the current plan year		15a	
	b The corresponding number for the second preceding plan year		15b	
16	Information with respect to any employers who withdrew from the plan during the preceding plan year:			
	a Enter the number of employers who withdrew during the preceding plan year		16a	
	b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers		16b	
17	If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐			

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

18	If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐
19	If the total number of participants is 1,000 or more, complete lines (a) through (c)
	a Enter the percentage of plan assets held as: Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%
	b Provide the average duration of the combined investment-grade and high-yield debt: ☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more
	c What duration measure was used to calculate line 19(b)? ☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

Part VII	IRS Compliance Questions
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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

**API FOILS NORTH AMERICA
PENSION PLAN**

**FINANCIAL STATEMENTS AND INDEPENDENT
AUDITOR'S REPORT**

**MARCH 31, 2016 and 2015
(With supplementary information)**

API FOILS NORTH AMERICA PENSION PLAN

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MONTGOMERY COSCIA GREILICH LLP

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972.748.0700 f

Independent Auditor's Report

To the Participants and Plan Administrator of
API Foils North America Pension Plan:

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of API Foils North America Pension Plan (the "Plan") which comprise the statement of net assets available for benefits as of March 31, 2016, and the related statement of changes in net assets available for 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.

Auditor's Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by Prudential Retirement Insurance and Annuity Company, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan Administrator that the Trustee holds the Plan's investment assets and executes investment transactions. The Plan Administrator has obtained a certification from the Trustee, as of and for the year ended March 31, 2016, 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.

MONTGOMERY COSCIA GREILICH LLP

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972.748.0700 f

Other Matter – Supplemental Schedules

The supplemental schedules of Schedule H, Line 4i – Schedule of Assets (Held at Year End) as of March 31, 2016 and Schedule H, Line 4j – Schedule of Reportable Transactions for the year ended March 31, 2016, are required by the Department of Labor’s (“DOL”) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on these supplemental schedules.

Other Matter – 2015 Financial Statements

The financial statements of the Plan as of March 31, 2015, were audited by predecessor auditors. 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 the predecessor auditors not to perform, and they did not perform any auditing procedures with respect to the information certified by Prudential Retirement Insurance and Annuity Company, the Trustee of the Plan. Their report, dated November 20, 2015, indicated that (a) because of the significance of information that they did not audit, they were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, they did not express an opinion of the financial statements, (b) the form and content of the information certified by the Trustee, were 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.

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

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

Montgomery Coscia Greulich LLP

MONTGOMERY COSCIA GREILICH LLP

Plano, Texas

January 17, 2017

2500 Dallas Parkway, Suite 300
Plano, Texas 75093

300 Throckmorton Street, Suite 520
Fort Worth, Texas 76102

2901 Via Fortuna, Building 6, Suite 550
Austin, Texas 78746

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API FOILS NORTH AMERICA PENSION PLAN

Statements of Net Assets Available For Benefits March 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Investments, at fair value:		
Pooled separate accounts	\$ 2,761,657	\$ 3,307,970
Receivables:		
Employer contributions	<u>37,934</u>	<u>40,752</u>
Net assets available for benefits	<u>\$ 2,799,591</u>	<u>\$ 3,348,722</u>

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

API FOILS NORTH AMERICA PENSION PLAN

Statements of Changes in Net Assets Available For Benefits For the Years Ended March 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Additions to/(deductions from) net assets:		
Investment (loss)/income:		
Net realized/unrealized (depreciation)/appreciation in fair value of investments	\$ (36,555)	\$ 256,039
Employer contributions	151,369	158,874
Benefits paid to participants	(630,786)	(599,353)
Administrative fees	<u>(33,159)</u>	<u>(25,298)</u>
Net decrease	<u>(549,131)</u>	<u>(209,738)</u>
Net assets available for benefits – beginning	<u>3,348,722</u>	<u>3,558,460</u>
Net assets available for benefits – ending	<u><u>\$ 2,799,591</u></u>	<u><u>\$ 3,348,722</u></u>

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

API FOILS NORTH AMERICA PENSION PLAN

Notes to Financial Statements March 31, 2016 and 2015

NOTE A - DESCRIPTION OF PLAN

The following brief description of API Foils North America Pension Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan agreement for more complete information.

[1] General:

The Plan is a noncontributory defined benefit pension plan covering substantially all nonunion employees of API Foils, Inc. (the "Company"), who meet certain eligibility requirements as to length of service and age. Former employees of Astor Universal, ICI American Holdings, Inc., Imperial Chemical Industries of Canada, Limited, API America Ltd. and Dri-Print Foils, Inc. are eligible for participation in the Plan, as defined. Effective September 30, 2004, the Plan was amended to discontinue the addition of new participants to the Plan and cease all future benefit accruals under the Plan.

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"). The trustee of the Plan is Prudential Bank & Trust, FSB. The Company is the Plan sponsor. In March 2015, the Company became a wholly owned indirect subsidiary of Steel Partners Holdings LP. The Plan is administered by the Investment Committee (the "Committee"). The Committee has overall responsibility for the operation and administration of the Plan. The Committee determines the appropriateness of the Plan's investments and monitors investment performance.

The effective date of the Plan is November 1, 1985. The Plan was restated effective October 1, 2006.

[2] Pension benefits:

The Plan provides participants or their beneficiaries with benefits in accordance with a benefit formula. The benefit amount is based on age, years of service, compensation, and other relevant factors. Full vesting is provided after five years of service have been completed.

Employees are entitled to receive benefit payments at the normal retirement age of 65, although earlier retirement with lesser benefits is permitted. Benefit payments are paid in the following forms: (1) immediate survivorship annuity; (2) straight life annuity; (3) single life annuities with certain periods of five, ten or fifteen years; (4) survivorship life annuities with survivorship percentages of 50, 66 2/3, 75 or 100%; or (5) lump-sum distribution.

[3] Death benefits:

If an active participant dies before their normal retirement date, no benefit will become payable unless the participant is survived by a spouse on the date they die and the participant has a vesting percentage larger than zero. If both conditions are met a Qualified Preretirement Survivor Annuity will become payable. Death benefits will be calculated in like manner if the participant dies after normal retirement age and before annuity starting date. If any death occurs after the participant's annuity starting date the death benefit will be determined by the form of retirement benefit in effect at such date.

API FOILS NORTH AMERICA PENSION PLAN

Notes to Financial Statements March 31, 2016 and 2015

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

[1] Basis of accounting:

The financial statements of the Plan are prepared on the accrual method of accounting.

[2] Subsequent events:

The Plan has evaluated subsequent events through January 17, 2017, the date the financial statements were available to be issued.

[3] Use of estimates:

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

[4] Investment valuation and income recognition:

The Plan's investments are stated 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. The Plan's Committee determines the Plan's valuation policies utilizing information provided by its investment advisors; custodians and the insurance company. See NOTE D for discussion of fair value measurements.

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

[5] Payment of benefits:

Benefits are recorded when paid.

[6] Administrative expenses:

The Plan's expenses are paid either by the Plan or the Company, as provided by the Plan document. Expenses that are paid directly by the Company are excluded from the Plan's financial statements. Certain expenses incurred in connection with the general administration of the Plan that are paid by the Plan are recorded as deductions in the accompanying statement of changes in net assets available for benefits. In addition, certain investment related expenses are included in net depreciation of fair value of investments presented in the accompanying statement of changes in net assets available for benefits.

API FOILS NORTH AMERICA PENSION PLAN

Notes to Financial Statements March 31, 2016 and 2015

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[7] Recent accounting pronouncement ASU 2015-07:

In May 2015 the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update No. 2015-07 ("ASU 2015-07"), Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent), an amendment to Fair Value Measurement Topic 820. ASU 2015-07 removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient. ASU 2015-07 is effective for fiscal years beginning after December 15, 2016, and interim periods within those fiscal years. Early adoption is permitted.

The Plan elected to adopt ASU 2015-07 as of and for the year ended March 31, 2016. Accordingly, investments measured using the net asset value per share practical expedient have not been categorized within the fair value hierarchy.

[8] Recent accounting pronouncement ASU 2015-12:

In July 2015 the FASB issued Accounting Standards Update No. 2015-12 ("ASU 2015-12"), Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962) and Health and Welfare Benefit Plans (Topic 965) (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, and (Part III) Measurement Date Practical Expedient. Part I does not apply to defined benefit plans. Part II eliminates the requirements to disclose individual investments that represent 5 percent or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. Part II also simplifies the level of disaggregation of investments that are measured using fair value. Plans will continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate investments by nature, characteristics and risks. Further, the disclosure of information about fair value measurements shall be provided by general type of plan asset. Part III allows an employee benefit plan with a fiscal year end that does not coincide with the end of a calendar month to measure its investments using the month end closest to its fiscal year end. The amendments are effective for fiscal years beginning after December 15, 2015. Earlier application is permitted.

The Plan elected to adopt ASU 2015-12 as of and for the year ended March 31, 2016.

NOTE C - INVESTMENT CERTIFICATION

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, as permitted under such election, Prudential Retirement Insurance and Annuity Company has certified to the completeness and accuracy of all investments and related investment activity in the accompanying statements of net assets available for benefits as of March 31, 2016 and 2015, the statements of changes in net assets available for benefits for the years ended March 31, 2016 and 2015 and the accompanying supplemental schedule of assets (held at end of year) as of March 31, 2016 and supplemental schedule of reportable transactions for the year ended March 31, 2016. The Plan's independent certified public accountant did not perform auditing procedures with respect to this information, except comparing such information to the related information included in the financial statements.

API FOILS NORTH AMERICA PENSION PLAN

Notes to Financial Statements March 31, 2016 and 2015

NOTE D - FUNDING POLICY

The Plan's funding policy is for the Company to contribute an amount that will meet or exceed the annual ERISA minimum funding requirement. During the years ended March 31, 2016 and 2015, the Company made contributions of \$151,369 and \$158,874, respectively. The Company's contributions for the years ended March 31, 2016 and 2015, exceeded the minimum funding requirements of ERISA.

NOTE E - FAIR VALUE MEASUREMENTS

The FASB Accounting Standards Codification ("ASC") 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. The framework 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 under FASB ASC 820 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: (1) quoted prices for similar assets or liabilities in active markets; (2) quoted prices for identical or similar assets or liabilities in inactive markets; (3) inputs other than quoted prices that are observable for the asset or liability; or (4) 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 measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for investment assets measured at fair value. There have been no changes in the methodologies used at March 31, 2016.

Pooled separate accounts: Valued at the net asset value ("NAV"), as a practical expedient, based on the market value of the underlying investments. The NAV is not a publicly-quoted price in an active market. The pooled separate accounts are comprised of a wide variety of underlying investments.

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

API FOILS NORTH AMERICA PENSION PLAN

Notes to Financial Statements March 31, 2016 and 2015

NOTE E - FAIR VALUE MEASUREMENTS (CONTINUED)

The following tables set forth, by level, within the fair value hierarchy, the Plan's investment assets at fair value as of March 31, 2016 and 2015:

Investment Assets at Fair Value as of March 31, 2016

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments measured at net asset value (A)				
Pooled separate accounts	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 2,761,657</u>
Total investment assets measured at net asset value				<u>2,761,657</u>
Total investment assets, at fair value				<u>\$ 2,761,657</u>

Investment Assets at Fair Value as of March 31, 2015

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments measured at net asset value (A)				
Pooled separate accounts	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 3,307,970</u>
Total investment assets measured at net asset value				<u>3,307,970</u>
Total investment assets, at fair value				<u>\$ 3,307,970</u>

(A) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of net assets available for benefits.

NOTE F - ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS

The accumulated plan benefits are those future periodic payments, including lump-sum distributions, which are attributable, under the Plan's provisions, to the service 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 accumulated based on employees' compensation during each year of credited service. The accumulated plan benefits for active employees will equal the accumulation, with interest, of the annual benefit accruals as of the benefit information date, less any accrued benefit under the ICI Specialty Chemicals Pension Plan. On September 30, 2004, the accrued benefit was frozen and no additional benefits accrue after such 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 that 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 between the valuation date and the expected date of payment.

NOTE F - ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS (CONTINUED)

API FOILS NORTH AMERICA PENSION PLAN

Notes to Financial Statements March 31, 2016 and 2015

The effect of plan amendments on accumulated plan benefits is recognized during the year in which such amendments become effective. The actuarial present value of accumulated plan benefits as of March 31, 2015 is as follows:

Vested benefits:	
Participants current receiving benefits	\$ 453,935
Other participants	<u>3,444,727</u>
Total vested benefits	3,898,662
Non-vested benefits	<u>-</u>
Total actuarial present value of accumulated plan benefits	<u>\$ 3,898,662</u>

Reconciliation of changes in the actuarial present value of accumulated plan benefits as of March 31, 2015 is as follows:

Actuarial present value of accumulated plan benefits as of March 31, 2014	\$ <u>4,223,513</u>
Increase (decrease) during the year attributable to:	
Increase for interest	265,190
Benefits accumulated and actuarial (gain)/loss	(5,249)
Changes in actuarial assumption (mortality table)	14,561
Benefits paid	<u>(599,353)</u>
Net decrease	<u>(324,851)</u>
Actuarial present value of accumulated plan benefits as of March 31, 2015	<u>\$ 3,898,662</u>

Significant actuarial assumptions used in the valuation of the actuarial present value of accumulated plan benefits as of March 31, 2015 were:

- Interest (discount) rate: 6.75%
- Mortality table: RP-2014 Total Dataset Mortality with Scale MP-2015
- Expected retirement age: Age 65

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits. The computations of the actuarial present value of accumulated plan benefits were made as of April 1, 2015. Had the valuations been performed as of March 31, 2015 there would be no material differences.

API FOILS NORTH AMERICA PENSION PLAN

Notes to Financial Statements March 31, 2016 and 2015

NOTE G - TAX STATUS

The Internal Revenue Service ("IRS") has determined and informed the Company by a letter dated December 11, 2007 that the Plan is qualified under the Internal Revenue Code ("IRC") and therefore the related trust is exempt from taxation. The Plan has been amended since receiving the tax determination letter. However, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and therefore, believes that the Plan is qualified, and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the plan and recognize a tax liability if the plan has taken an uncertain position that more likely than not would not be sustained upon examination by a government authority. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of March 31, 2016, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine examinations by taxing jurisdictions; however, there are currently no examinations for any tax periods in progress.

NOTE H - RELATED-PARTY TRANSACTIONS AND PARTY IN INTEREST TRANSACTIONS

Certain investments are pooled separate accounts managed by Prudential Retirement Insurance and Annuity Company; therefore, transactions related to these investments qualify as party-in-interest transactions.

NOTE I - RISKS AND UNCERTAINTIES

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

Plan contributions are made and the actuarial present value of accumulated Plan benefits are prepared 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 estimates 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.

Volatility in the financial markets may significantly impact the subsequent valuation of the Plan's investments. Accordingly, the valuation of investments at March 31, 2016 may not necessarily be indicative of amounts that could be realized in a current market exchange.

NOTE J - PLAN TERMINATION

Although it has not expressed any intention to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions as set forth in ERISA. In the event the Plan terminates, the net assets of the Plan will 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.

NOTE J - PLAN TERMINATION (CONTINUED)

API FOILS NORTH AMERICA PENSION PLAN

Notes to Financial Statements March 31, 2016 and 2015

- b. Other vested benefits insured by the Pension Benefit Guaranty Corporation (the "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).

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 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. The maximum guarantee is set by law and it is updated each calendar year. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. A statutory ceiling exists, which is adjusted periodically, on the amount of an individual's monthly benefit that the PBGC guarantees. For Plan terminations occurring during 2016, that ceiling is approximately \$5,011 per month. That ceiling applies to those pensioners who elect to receive their benefits in the form of a single-life annuity and are at least 65 years old at the time of retirement or Plan termination (whichever comes later). The amount is higher for those who retire later and lower for those that retire earlier or elect joint and survivor benefits. Further limitations apply for plans created or amended to increase benefits within five years before the plan's termination date. PBGC guarantees the larger of 20% of the benefit increase, or \$20 per month for each full year the benefit increase was in effect.

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 accumulated benefit obligations and may also depend on the financial condition of the Plan sponsor and the level of benefits guaranteed by the PBGC.

API Foils North America Pension Plan

Employer Identification # 48-1199126 Plan No. 001
Schedule H, Part IV, Line 4i of Form 5500
Schedule of Assets (Held at End of Year)
March 31, 2016

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
*	Prudential Retirement Insurance and Annuity Company	Large Cap Blend/MFS	\$ 263,404	\$ 364,044
*	Prudential Retirement Insurance and Annuity Company	Large Cap Growth/JP Morgan	196,890	283,788
*	Prudential Retirement Insurance and Annuity Company	Large Cap Value/LSV Asset Mgmt	201,439	279,414
*	Prudential Retirement Insurance and Annuity Company	Small Cap Growth/RBC	43,847	68,400
*	Prudential Retirement Insurance and Annuity Company	Small Cap Value/Kennedy Capital	35,780	61,320
*	Prudential Retirement Insurance and Annuity Company	International Blend/AQR	187,015	169,903
*	Prudential Retirement Insurance and Annuity Company	Core Plus Bond/PGIM Fund	1,281,416	1,384,211
*	Prudential Retirement Insurance and Annuity Company	Prudential Short-Term	62,486	62,486
	Prudential Retirement Insurance and Annuity Company	Real Estate/Am Century Fund	60,305	<u>88,091</u>
				<u>\$ 2,761,657</u>
*	Party-in-interest, as defined by ERISA			

API Foils North America Pension Plan

Employer Identification # 48-1199126, Plan No. 001
Schedule H, Part IV, Line 4(j) of Form 5500
Schedule of Reportable Transactions
Year Ended March 31, 2016

(a)	(b)	(c)	(d)	(g)	(h)	(i)
Identity of Party Involved	Description of Asset	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain (Loss)
Prudential Retirement Insurance Annuity Company	Core Plus Bond/PGIM Fund	\$77,093	-	\$77,093	\$77,093	-
Prudential Retirement Insurance Annuity Company	Core Plus Bond/PGIM Fund		370,000	345,900	370,000	24,100
Prudential Retirement Insurance Annuity Company	Prudential Short-Term	686,688	-	686,688	686,688	-
Prudential Retirement Insurance Annuity Company	Prudential Short-Term	-	669,464	669,462	669,464	2

See independent auditor's report on supplemental schedules.

SECTION VII

ACTUARIAL METHODS

Under the Actuarial Methods described below, if all current assumptions remain constant and are realized, funding at least the Minimum Required Contribution each year will eventually accumulate sufficient plan assets to cover the Funding Target. Future widening of the HATFA interest rate corridor may extend the time period for the plan to become fully funded.

Cost Method

Costs have been computed in accordance with the Unit Credit Actuarial Cost Method and reflect the actuarial assumptions described under “Actuarial Assumptions” of this report as provided under the applicable regulations of the Pension Protection Act of 2006.

Target Normal Cost

The Target Normal Cost is the present value of benefits expected to accrue during the plan year plus an estimate of the expenses to be paid from plan assets during the plan year.

Funding Target and Funding Shortfall

The Funding Target is the present value of benefits accrued as of the beginning of the plan year and the Funding Shortfall is the excess of the Funding Target over the Actuarial Value of Assets (reduced by the Credit Balance). The initial Funding Shortfall is amortized over seven years.

In subsequent years, the Funding Shortfall less the present value of prior year amortization installments is amortized over seven years, and added to any prior year amortization installments.

In accordance with the Highway and Transportation Funding Act of 2014 (HATFA), segment rates are adjusted as necessary to fall within the specified corridor of the corresponding 25-year average of segment rates for the period ending September 30 of the calendar year preceding the first day of the plan year. The specified corridor is:

<u>Plan Year</u>	<u>Corridor</u>
2012-2017	90% - 110%
2018	85% - 115%
2019	80% - 120%
2020	75% - 125%
2021 and later	70% - 130%

For the 2013 plan year, segment rates may be adjusted by a corridor of 85% - 115% instead of 90% - 110%, in accordance with the plan sponsor's election.

The adjustments to fall within the specified corridor of the 25-year average of segment rates apply for determining the minimum required contribution and related funded percentages. They do not apply for determining the maximum tax deductible contribution or certain other situations.

SECTION VII

ACTUARIAL METHODS

Sponsor Elections

Discount Rate: Segment rates, with a 4-month lookback

Mortality Table: Prescribed IRS Static Mortality Table – Separate

At-Risk Determination

The At-Risk Funding Target is determined by assuming that participants eligible to retire in the current plan year and next 10 plan years retire at the earliest possible date, but not before the end of the plan year. All participants are assumed to elect the optional form resulting in the highest possible present value.

A load is added to the At-Risk Funding Target and At-Risk Target Normal Cost when a plan is At-Risk in at least two years during the preceding four years. The load increases the At-Risk Funding Target by 4% of the Not At-Risk Funding Target plus \$700 per participant, and increases the At-Risk Target Normal Cost by 4% of the Not At-Risk Target Normal Cost.

The Funding Target and Target Normal Cost are calculated by multiplying the Not At-Risk values by 100% minus the Phase-In Percentage, plus the At-Risk values multiplied by the Phase-In Percentage.

Credit Balance

The Credit Balance consists of the Carryover Balance from excess contributions prior to the Pension Protection Act (PPA) of 2006, plus the Prefunding Balance from elected excess contributions after the PPA. Balances accumulate with interest and are reduced for amounts applied towards the Minimum Required Contribution, voluntary waivers by the plan sponsor, and compelled waivers to avoid benefit restrictions. The Actuarial Value of Assets is reduced by the Credit Balance to determine certain funded percentages and to determine the Funding Shortfall.

Asset Valuation Method

The Actuarial Value of Assets is determined using 6-month average of the Adjusted Market Value of Assets with the earliest determination 18 months prior to the valuation date. The Market Value of Assets in prior years is adjusted for contributions, benefit payments, expenses and expected earnings (not to exceed the third segment rate). The Actuarial Value of Assets is the average of these 4 Adjusted Market Value of Assets valued at the valuation date.

The Actuarial Value of Assets is adjusted to be no less than 90% or no more than 110% of the Fair Market Value of Assets, as required by IRC Section 430(g)(3)(B)(iii).

Since the expected earnings assumption cannot exceed the third segment rate, over time, the method may produce an Actuarial Value of Assets slightly below the Fair Market Value of Assets.

The Actuarial Value of Assets for determining the Maximum Tax Deductible Contribution reflects HATFA interest rates for discounting contributions and limiting expected earnings.

SECTION VII

ACTUARIAL ASSUMPTIONS

Below are the actuarial assumptions as of 4/1/2015:

Discount Rate:	<u>With HATFA</u>	<u>Without HATFA</u>	<u>ASC 960</u>
Effective Rate	5.99%	3.89%	6.75%
First Segment – First 5 Years	4.72%	1.20%	N/A
Second Segment – Next 15 Years	6.11%	4.10%	N/A
Third Segment – After 20 Years	6.81%	5.20%	N/A

Mortality:

Funding: The 2015 IRS Static Mortality Table.

ASC 960: RP-2014 Total Dataset Mortality Table with Scale MP-2015.

Investment Return: 6.75%

Termination: Annual Withdrawal Rates:

<u>Age</u>	<u>Rate of Withdrawal</u>
20	29.76%
25	21.76%
30	16.16%
35	12.64%
40	10.40%
45	8.80%
50	7.20%
55	0.00%

Source: Vaughn Table from August 1992 Pension Forum published by the Society of Actuaries, multiplied by 1.60.

Retirement Age: Age 65. Participants at or beyond this age are assumed to retire immediately.

Estimated Expenses: None

Disability: 1987 Commissioner's Group Disability Table, six month elimination period, male and female.

Form of Payment: Pre-retirement death benefit is anticipated to be paid as an annuity for the life of the spouse. All other benefits for participants not yet in pay status are anticipated to be paid as lump sums.

SECTION IV

SHORTFALL AMORTIZATION

The prior year amortization values and the development of the amortization for the current plan year are shown below.

Prior Year Amortization Amounts

<u>Plan Year</u>	<u>Installment</u>	<u>Years Remaining</u>	<u>Present Value</u>
2014	(\$5,761)	6	(\$30,605)
2013	34,673	5	158,426
2012	(58,956)	4	(220,354)
2011	39,024	3	111,875
2010	60,360	2	117,999
2009	22,695	1	22,695
Total	<u>\$92,035</u>		<u>\$160,036</u>

Current Year Amortization

1. Exemption from Current Year Amortization	No
2. Funding Shortfall to be Amortized	213,962
3. Present Value of Prior Year Amortization Installments	160,036
4. Current Year Amortization Base [2 – 3]	53,926
5. Current Year Amortization Installment	\$8,968

Net Shortfall Amortization Installment

6. Current Year Amortization Installment	\$8,968
7. Sum of Prior Year Amortization Installments	92,035
8. Net Shortfall Amortization Installment [6 + 7, not less than \$0]	\$101,003

The API Foils North America Pension Plan

EIN/PN: 48-1199126/001

2015 Schedule SB - Line 22 - Description of Weighted Average Retirement Age

100% of participants are assumed to retire at age 65.

SECTION I

CHANGES SINCE LAST YEAR'S VALUATION

Changes in Pension Plan Provisions

No changes in the pension plan provisions were recognized with this actuarial valuation.

Legislated Changes

There were no legislative changes recognized with this actuarial valuation.

Changes in Actuarial Assumptions

For the plan year, the expense assumption was changed to \$35,000 from \$19,000.

For ASC 960, the mortality table was changed to RP-2014 Adjusted to 2006 Total Dataset Mortality with Scale MP-2015 from IRS 2014 Static Mortality Table.

Changes in Actuarial Methods

No changes in actuarial methods were recognized with this actuarial valuation.

SECTION VII

PLAN PROVISIONS

Plan Eligibility

Class: Member of the non-bargaining class.

Entry Date: Date of employment.

No new participants are eligible after September 30, 2004.

Normal Retirement Benefit

Age: Attained age 65 and the beginning of the plan year in which 5 years of plan participation is earned.

Form: Monthly annuity payable for life (optional forms may be elected in advance of retirement).

Amount (accrued benefit): The sum of (a) and (b), reduced by (c):

(a) 1% of average compensation on November 1, 1985 multiplied by accrual service prior to November 1, 1985.

(b) 1% of monthly compensation for each year of accrual service on and after October 31, 1985.

Effective October 1, 1998 the percentage under this section is increased from 1% to 1.35% for participants employed in certain job categories listed in Appendix A of the Plan.

(c) Accrued benefit under the ICI Specialty Chemicals Plan.

Benefit accrual is frozen as of September 30, 2004.

Early Retirement Benefit

Age: Attained age 55.

Service: Ten years of service.

Form: Same as normal retirement benefit.

Amount: Accrued benefit on early retirement date reduced to its actuarial equivalent based on 7% interest and the 1984 Unisex Pension Mortality Table to reflect the fact that early retirement date precedes normal retirement date. Subsidized early retirement benefits are available for those employees after age 55 that meet the rule of 90, with the following reductions:

<u>Months Preceding Normal Retirement Date</u>	<u>Percentage</u>
1 st 36 Months	1/6 of 1%
Next 24 Months	1/3 of 1%
Next 60 Months	5/12 of 1%

SECTION VII

PLAN PROVISIONS

Late Retirement Benefit

Age:	No maximum age.
Form:	Same as normal retirement benefit.
Amount:	Greater of accrued benefit on normal retirement date actuarially increased to late retirement date or accrued benefit on late retirement date.

Termination Benefit

Vesting Percentage:	100% after five years of vesting service.
Form:	Same as normal retirement benefit with income deferred until normal retirement date.
Amount:	Accrued benefit on date of termination multiplied by the vesting percentage.

Survivor Annuity Death Benefit

Eligibility:	Qualified married participant fully or partially vested in an accrued benefit.
Form:	Monthly annuity payable to spouse, deferred to participant's earliest retirement date if later than the date of death.
Amount:	If death occurs, the amount paid to the surviving spouse is equal to the amount that would have been paid had the participant terminated employment on the date of death and survived to his/her earliest retirement age, retired with a qualified joint and 50% survivor annuity in effect, then died the next day.

Definitions

Compensation:	Total amount paid to an employee, including overtime and bonuses.
Optional Forms of Benefit Payments:	<p>The optional forms of benefit payments are:</p> <ul style="list-style-type: none">- Monthly annuity payable for life, or 5, 10, or 15 years certain and life.- Monthly annuity payable as a survivorship life annuity with survivorship percentages of 50, 66 2/3, 75, or 100.- Single sum payment equal to the present value of the retirement benefit.

SECTION VII

PLAN PROVISIONS

Appendix A of the Plan

The adjusted benefit accrued rate applies to an employee employed in the following job categories, or to employees with the following titles:

<u>Title</u>	<u>Department</u>	<u>Location</u>
Divisional Vice President & General Manager Of North America	Dri-Print	Rahway
Financial Controller	Dri-Print	Rahway
V.P. Operations	Dri-Print	Rahway
Distribution Manager	Astor	Lawrence
Technical Manager	Dri-Print	Rahway
Operations Manager	Astor	Lawrence
V.P. Sales & Marketing West	Astor	Lawrence
Divisional Vice President & General Manager International	Astor	Lawrence
Business Manager Embossable Products	Dri-Print	Rahway
Business Development Manager	Dri-Print	Rahway
Logistics Manager	Dri-Print	Rahway
Financial Controller	Astor	Lawrence
V.P. Sales East	Dri-Print	Rahway

API Foils North America Pension Plan

EIN/PN: 48-1199126/001

2015 Schedule SB, Line 19 - Discounted Employer Contributions

Date Paid	Employer Contribution	Discounted to Apr. 1, 2015	Plan Year
7/24/2015	\$37,934	\$37,219	2015
10/5/2015	37,934	36,823	2015
1/12/2016	37,934	36,248	2015
4/1/2016	<u>37,934</u>	<u>35,790</u>	2015
Total	\$151,736	\$146,080	

The applicable effective interest rate is 5.99%. The applicable effective interest rate for late quarterly contributions is 10.99%.

SCHEDULE SB (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>	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 04/01/2015 and ending 03/31/2016

► **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 API FOILS NORTH AMERICA PENSION PLAN	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:70%;">B Three-digit plan number (PN) ►</td> <td style="width:30%; text-align: center;">001</td> </tr> </table>	B Three-digit plan number (PN) ►	001
B Three-digit plan number (PN) ►	001		
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF API FOILS, INC.	D Employer Identification Number (EIN) 48-1199126		
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>4</u> Day <u>1</u> Year <u>2015</u>									
2 Assets: <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:70%;">a Market value</td> <td style="width:10%; text-align: center;">2a</td> <td style="width:20%; text-align: right;">3,348,221</td> </tr> <tr> <td>b Actuarial value</td> <td style="text-align: center;">2b</td> <td style="text-align: right;">3,292,377</td> </tr> </table>				a Market value	2a	3,348,221	b Actuarial value	2b	3,292,377
a Market value	2a	3,348,221							
b Actuarial value	2b	3,292,377							
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	19	451,048	451,048						
b For terminated vested participants	92	2,306,482	2,306,482						
c For active participants	40	721,806	721,806						
d Total	151	3,479,336	3,479,336						
4 If the plan is in at-risk status, check the box and complete lines (a) and (b) ☐ <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:70%;">a Funding target disregarding prescribed at-risk assumptions</td> <td style="width:10%; text-align: center;">4a</td> <td style="width:20%;"></td> </tr> <tr> <td>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</td> <td style="text-align: center;">4b</td> <td></td> </tr> </table>				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	
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	5.99 %							
6 Target normal cost	6	35,000							

Statement by Enrolled Actuary

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

SIGN HERE	ERIC PERS EP _____ Signature of actuary	<div style="text-align: right; font-size: 1.2em;">12/14/16</div> _____ Date 14-08115 Most recent enrollment number (860) 534-4456 Telephone number (including area code)
ERIC PERS _____ Type or print name of actuary		
PRIAC _____ Firm name		
280 Trumbull Street _____ Hartford CT 06103 _____ Address of the firm		

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

Part II		Beginning of Year Carryover and Prefunding Balances	
		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	25,056
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)	0	25,056
10	Interest on line 9 using prior year's actual return of <u>7.77</u> %	0	1947
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		10
	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>6.19</u> %		1
	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		11
	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)	0	27003

Part III		Funding Percentages	
14	Funding target attainment percentage	14	93.85 %
15	Adjusted funding target attainment percentage	15	93.85 %
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	92.30 %
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
07/24/2015	37,934				
10/05/2015	37,934				
01/12/2016	37,934				
04/01/2016	37,934				
Totals ▶			18(b)	151,736	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
b Contributions made to avoid restrictions adjusted to valuation date	19b
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	146,080
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
0	0
(3) 3rd	(4) 4th
0	0

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 4
22 Weighted average retirement age				22 65
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	
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	
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	35,000	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance		Installment
a Net shortfall amortization installment	213,962		101,003
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	136,003	
		Carryover balance	Prefunding balance
35 Balances elected for use to offset funding requirement		0	0
36 Additional cash requirement (line 34 minus line 35)	36	136,003	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	146,080	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	10,077	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
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		

The API Foils North America Pension Plan

EIN/PN: 48-1199126/001

2015 Schedule SB - Line 22 - Description of Weighted Average Retirement Age

100% of participants are assumed to retire at age 65.

SECTION VII

DISTRIBUTION OF ACTIVE PARTICIPANTS BY AGE AND SERVICE

Number of Active Participants as of April 1, 2015 – Distribution by Age and Service

Active participant counts are shown below.

Attained Age	Years of Credited Service										Total
	<u>Under 1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30-34</u>	<u>35-39</u>	<u>40 +</u>	
Under 25											
25-29											
30-34											
35-39			1								1
40-44		3	2	1							6
45-49		1	8	1							10
50-54		1	5	1							7
55-59	2	1	3				1				7
60-64			3				2				5
65-69		1	2						1		4
70 +											
Total	2	7	24	3			3		1		40

SECTION IV

SHORTFALL AMORTIZATION

The prior year amortization values and the development of the amortization for the current plan year are shown below.

Prior Year Amortization Amounts

<u>Plan Year</u>	<u>Installment</u>	<u>Years Remaining</u>	<u>Present Value</u>
2014	(\$5,761)	6	(\$30,605)
2013	34,673	5	158,426
2012	(58,956)	4	(220,354)
2011	39,024	3	111,875
2010	60,360	2	117,999
2009	22,695	1	22,695
Total	<u>\$92,035</u>		<u>\$160,036</u>

Current Year Amortization

1. Exemption from Current Year Amortization	No
2. Funding Shortfall to be Amortized	213,962
3. Present Value of Prior Year Amortization Installments	160,036
4. Current Year Amortization Base [2 – 3]	53,926
5. Current Year Amortization Installment	\$8,968

Net Shortfall Amortization Installment

6. Current Year Amortization Installment	\$8,968
7. Sum of Prior Year Amortization Installments	92,035
8. Net Shortfall Amortization Installment [6 + 7, not less than \$0]	\$101,003

SECTION VII

ACTUARIAL METHODS

Under the Actuarial Methods described below, if all current assumptions remain constant and are realized, funding at least the Minimum Required Contribution each year will eventually accumulate sufficient plan assets to cover the Funding Target. Future widening of the HATFA interest rate corridor may extend the time period for the plan to become fully funded.

Cost Method

Costs have been computed in accordance with the Unit Credit Actuarial Cost Method and reflect the actuarial assumptions described under “Actuarial Assumptions” of this report as provided under the applicable regulations of the Pension Protection Act of 2006.

Target Normal Cost

The Target Normal Cost is the present value of benefits expected to accrue during the plan year plus an estimate of the expenses to be paid from plan assets during the plan year.

Funding Target and Funding Shortfall

The Funding Target is the present value of benefits accrued as of the beginning of the plan year and the Funding Shortfall is the excess of the Funding Target over the Actuarial Value of Assets (reduced by the Credit Balance). The initial Funding Shortfall is amortized over seven years.

In subsequent years, the Funding Shortfall less the present value of prior year amortization installments is amortized over seven years, and added to any prior year amortization installments.

In accordance with the Highway and Transportation Funding Act of 2014 (HATFA), segment rates are adjusted as necessary to fall within the specified corridor of the corresponding 25-year average of segment rates for the period ending September 30 of the calendar year preceding the first day of the plan year. The specified corridor is:

<u>Plan Year</u>	<u>Corridor</u>
2012-2017	90% - 110%
2018	85% - 115%
2019	80% - 120%
2020	75% - 125%
2021 and later	70% - 130%

For the 2013 plan year, segment rates may be adjusted by a corridor of 85% - 115% instead of 90% - 110%, in accordance with the plan sponsor's election.

The adjustments to fall within the specified corridor of the 25-year average of segment rates apply for determining the minimum required contribution and related funded percentages. They do not apply for determining the maximum tax deductible contribution or certain other situations.

SECTION VII

ACTUARIAL METHODS

Sponsor Elections

Discount Rate: Segment rates, with a 4-month lookback

Mortality Table: Prescribed IRS Static Mortality Table – Separate

At-Risk Determination

The At-Risk Funding Target is determined by assuming that participants eligible to retire in the current plan year and next 10 plan years retire at the earliest possible date, but not before the end of the plan year. All participants are assumed to elect the optional form resulting in the highest possible present value.

A load is added to the At-Risk Funding Target and At-Risk Target Normal Cost when a plan is At-Risk in at least two years during the preceding four years. The load increases the At-Risk Funding Target by 4% of the Not At-Risk Funding Target plus \$700 per participant, and increases the At-Risk Target Normal Cost by 4% of the Not At-Risk Target Normal Cost.

The Funding Target and Target Normal Cost are calculated by multiplying the Not At-Risk values by 100% minus the Phase-In Percentage, plus the At-Risk values multiplied by the Phase-In Percentage.

Credit Balance

The Credit Balance consists of the Carryover Balance from excess contributions prior to the Pension Protection Act (PPA) of 2006, plus the Prefunding Balance from elected excess contributions after the PPA. Balances accumulate with interest and are reduced for amounts applied towards the Minimum Required Contribution, voluntary waivers by the plan sponsor, and compelled waivers to avoid benefit restrictions. The Actuarial Value of Assets is reduced by the Credit Balance to determine certain funded percentages and to determine the Funding Shortfall.

Asset Valuation Method

The Actuarial Value of Assets is determined using 6-month average of the Adjusted Market Value of Assets with the earliest determination 18 months prior to the valuation date. The Market Value of Assets in prior years is adjusted for contributions, benefit payments, expenses and expected earnings (not to exceed the third segment rate). The Actuarial Value of Assets is the average of these 4 Adjusted Market Value of Assets valued at the valuation date.

The Actuarial Value of Assets is adjusted to be no less than 90% or no more than 110% of the Fair Market Value of Assets, as required by IRC Section 430(g)(3)(B)(iii).

Since the expected earnings assumption cannot exceed the third segment rate, over time, the method may produce an Actuarial Value of Assets slightly below the Fair Market Value of Assets.

The Actuarial Value of Assets for determining the Maximum Tax Deductible Contribution reflects HATFA interest rates for discounting contributions and limiting expected earnings.

SECTION VII

ACTUARIAL ASSUMPTIONS

Below are the actuarial assumptions as of 4/1/2015:

Discount Rate:	<u>With HATFA</u>	<u>Without HATFA</u>	<u>ASC 960</u>
Effective Rate	5.99%	3.89%	6.75%
First Segment – First 5 Years	4.72%	1.20%	N/A
Second Segment – Next 15 Years	6.11%	4.10%	N/A
Third Segment – After 20 Years	6.81%	5.20%	N/A

Mortality:

Funding: The 2015 IRS Static Mortality Table.

ASC 960: RP-2014 Total Dataset Mortality Table with Scale MP-2015.

Investment Return:

6.75%

Termination:

Annual Withdrawal Rates:

<u>Age</u>	<u>Rate of Withdrawal</u>
20	29.76%
25	21.76%
30	16.16%
35	12.64%
40	10.40%
45	8.80%
50	7.20%
55	0.00%

Source: Vaughn Table from August 1992 Pension Forum published by the Society of Actuaries, multiplied by 1.60.

Retirement Age:

Age 65. Participants at or beyond this age are assumed to retire immediately.

Estimated Expenses:

None

Disability:

1987 Commissioner's Group Disability Table, six month elimination period, male and female.

Form of Payment:

Pre-retirement death benefit is anticipated to be paid as an annuity for the life of the spouse. All other benefits for participants not yet in pay status are anticipated to be paid as lump sums.

SECTION VII

PLAN PROVISIONS

Plan Eligibility

Class: Member of the non-bargaining class.

Entry Date: Date of employment.

No new participants are eligible after September 30, 2004.

Normal Retirement Benefit

Age: Attained age 65 and the beginning of the plan year in which 5 years of plan participation is earned.

Form: Monthly annuity payable for life (optional forms may be elected in advance of retirement).

Amount (accrued benefit): The sum of (a) and (b), reduced by (c):

(a) 1% of average compensation on November 1, 1985 multiplied by accrual service prior to November 1, 1985.

(b) 1% of monthly compensation for each year of accrual service on and after October 31, 1985.

Effective October 1, 1998 the percentage under this section is increased from 1% to 1.35% for participants employed in certain job categories listed in Appendix A of the Plan.

(c) Accrued benefit under the ICI Specialty Chemicals Plan.

Benefit accrual is frozen as of September 30, 2004.

Early Retirement Benefit

Age: Attained age 55.

Service: Ten years of service.

Form: Same as normal retirement benefit.

Amount: Accrued benefit on early retirement date reduced to its actuarial equivalent based on 7% interest and the 1984 Unisex Pension Mortality Table to reflect the fact that early retirement date precedes normal retirement date. Subsidized early retirement benefits are available for those employees after age 55 that meet the rule of 90, with the following reductions:

<u>Months Preceding Normal Retirement Date</u>	<u>Percentage</u>
1 st 36 Months	1/6 of 1%
Next 24 Months	1/3 of 1%
Next 60 Months	5/12 of 1%

SECTION VII

PLAN PROVISIONS

Late Retirement Benefit

Age:	No maximum age.
Form:	Same as normal retirement benefit.
Amount:	Greater of accrued benefit on normal retirement date actuarially increased to late retirement date or accrued benefit on late retirement date.

Termination Benefit

Vesting Percentage:	100% after five years of vesting service.
Form:	Same as normal retirement benefit with income deferred until normal retirement date.
Amount:	Accrued benefit on date of termination multiplied by the vesting percentage.

Survivor Annuity Death Benefit

Eligibility:	Qualified married participant fully or partially vested in an accrued benefit.
Form:	Monthly annuity payable to spouse, deferred to participant's earliest retirement date if later than the date of death.
Amount:	If death occurs, the amount paid to the surviving spouse is equal to the amount that would have been paid had the participant terminated employment on the date of death and survived to his/her earliest retirement age, retired with a qualified joint and 50% survivor annuity in effect, then died the next day.

Definitions

Compensation:	Total amount paid to an employee, including overtime and bonuses.
Optional Forms of Benefit Payments:	<p>The optional forms of benefit payments are:</p> <ul style="list-style-type: none">- Monthly annuity payable for life, or 5, 10, or 15 years certain and life.- Monthly annuity payable as a survivorship life annuity with survivorship percentages of 50, 66 2/3, 75, or 100.- Single sum payment equal to the present value of the retirement benefit.

SECTION VII

PLAN PROVISIONS

Appendix A of the Plan

The adjusted benefit accrued rate applies to an employee employed in the following job categories, or to employees with the following titles:

<u>Title</u>	<u>Department</u>	<u>Location</u>
Divisional Vice President & General Manager Of North America	Dri-Print	Rahway
Financial Controller	Dri-Print	Rahway
V.P. Operations	Dri-Print	Rahway
Distribution Manager	Astor	Lawrence
Technical Manager	Dri-Print	Rahway
Operations Manager	Astor	Lawrence
V.P. Sales & Marketing West	Astor	Lawrence
Divisional Vice President & General Manager International	Astor	Lawrence
Business Manager Embossable Products	Dri-Print	Rahway
Business Development Manager	Dri-Print	Rahway
Logistics Manager	Dri-Print	Rahway
Financial Controller	Astor	Lawrence
V.P. Sales East	Dri-Print	Rahway

SECTION I

CHANGES SINCE LAST YEAR'S VALUATION

Changes in Pension Plan Provisions

No changes in the pension plan provisions were recognized with this actuarial valuation.

Legislated Changes

There were no legislative changes recognized with this actuarial valuation.

Changes in Actuarial Assumptions

For the plan year, the expense assumption was changed to \$35,000 from \$19,000.

For ASC 960, the mortality table was changed to RP-2014 Adjusted to 2006 Total Dataset Mortality with Scale MP-2015 from IRS 2014 Static Mortality Table.

Changes in Actuarial Methods

No changes in actuarial methods were recognized with this actuarial valuation.

API Foils North America Pension Plan

EIN/PN: 48-1199126/001

2015 Schedule SB, Line 19 - Discounted Employer Contributions

Date Paid	Employer Contribution	Discounted to Apr. 1, 2015	Plan Year
7/24/2015	\$37,934	\$37,219	2015
10/5/2015	37,934	36,823	2015
1/12/2016	37,934	36,248	2015
4/1/2016	<u>37,934</u>	<u>35,790</u>	2015
Total	\$151,736	\$146,080	

The applicable effective interest rate is 5.99%. The applicable effective interest rate for late quarterly contributions is 10.99%.

SECTION VII

DISTRIBUTION OF ACTIVE PARTICIPANTS BY AGE AND SERVICE

Number of Active Participants as of April 1, 2015 – Distribution by Age and Service

Active participant counts are shown below.

Attained Age	Years of Credited Service										Total
	<u>Under 1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30-34</u>	<u>35-39</u>	<u>40 +</u>	
Under 25											
25-29											
30-34											
35-39			1								1
40-44		3	2	1							6
45-49		1	8	1							10
50-54		1	5	1							7
55-59	2	1	3				1				7
60-64			3				2				5
65-69		1	2						1		4
70 +											
Total	2	7	24	3			3		1		40

**API FOILS NORTH AMERICA
PENSION PLAN**

**FINANCIAL STATEMENTS AND INDEPENDENT
AUDITOR'S REPORT**

**MARCH 31, 2016 and 2015
(With supplementary information)**

API FOILS NORTH AMERICA PENSION PLAN

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MONTGOMERY COSCIA GREILICH LLP

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Independent Auditor's Report

To the Participants and Plan Administrator of
API Foils North America Pension Plan:

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of API Foils North America Pension Plan (the "Plan") which comprise the statement of net assets available for benefits as of March 31, 2016, and the related statement of changes in net assets available for 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.

Auditor's Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by Prudential Retirement Insurance and Annuity Company, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan Administrator that the Trustee holds the Plan's investment assets and executes investment transactions. The Plan Administrator has obtained a certification from the Trustee, as of and for the year ended March 31, 2016, 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.

MONTGOMERY COSCIA GREILICH LLP

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972.748.0700 f

Other Matter – Supplemental Schedules

The supplemental schedules of Schedule H, Line 4i – Schedule of Assets (Held at Year End) as of March 31, 2016 and Schedule H, Line 4j – Schedule of Reportable Transactions for the year ended March 31, 2016, are required by the Department of Labor’s (“DOL”) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on these supplemental schedules.

Other Matter – 2015 Financial Statements

The financial statements of the Plan as of March 31, 2015, were audited by predecessor auditors. 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 the predecessor auditors not to perform, and they did not perform any auditing procedures with respect to the information certified by Prudential Retirement Insurance and Annuity Company, the Trustee of the Plan. Their report, dated November 20, 2015, indicated that (a) because of the significance of information that they did not audit, they were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, they did not express an opinion of the financial statements, (b) the form and content of the information certified by the Trustee, were 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.

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

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

Montgomery Coscia Greilich LLP

MONTGOMERY COSCIA GREILICH LLP

Plano, Texas

January 17, 2017

API FOILS NORTH AMERICA PENSION PLAN

Statements of Net Assets Available For Benefits March 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Investments, at fair value:		
Pooled separate accounts	\$ 2,761,657	\$ 3,307,970
Receivables:		
Employer contributions	<u>37,934</u>	<u>40,752</u>
Net assets available for benefits	<u>\$ 2,799,591</u>	<u>\$ 3,348,722</u>

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

API FOILS NORTH AMERICA PENSION PLAN

Statements of Changes in Net Assets Available For Benefits For the Years Ended March 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Additions to/(deductions from) net assets:		
Investment (loss)/income:		
Net realized/unrealized (depreciation)/appreciation in fair value of investments	\$ (36,555)	\$ 256,039
Employer contributions	151,369	158,874
Benefits paid to participants	(630,786)	(599,353)
Administrative fees	<u>(33,159)</u>	<u>(25,298)</u>
Net decrease	<u>(549,131)</u>	<u>(209,738)</u>
Net assets available for benefits – beginning	<u>3,348,722</u>	<u>3,558,460</u>
Net assets available for benefits – ending	<u><u>\$ 2,799,591</u></u>	<u><u>\$ 3,348,722</u></u>

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

API FOILS NORTH AMERICA PENSION PLAN

Notes to Financial Statements March 31, 2016 and 2015

NOTE A - DESCRIPTION OF PLAN

The following brief description of API Foils North America Pension Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan agreement for more complete information.

[1] General:

The Plan is a noncontributory defined benefit pension plan covering substantially all nonunion employees of API Foils, Inc. (the "Company"), who meet certain eligibility requirements as to length of service and age. Former employees of Astor Universal, ICI American Holdings, Inc., Imperial Chemical Industries of Canada, Limited, API America Ltd. and Dri-Print Foils, Inc. are eligible for participation in the Plan, as defined. Effective September 30, 2004, the Plan was amended to discontinue the addition of new participants to the Plan and cease all future benefit accruals under the Plan.

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"). The trustee of the Plan is Prudential Bank & Trust, FSB. The Company is the Plan sponsor. In March 2015, the Company became a wholly owned indirect subsidiary of Steel Partners Holdings LP. The Plan is administered by the Investment Committee (the "Committee"). The Committee has overall responsibility for the operation and administration of the Plan. The Committee determines the appropriateness of the Plan's investments and monitors investment performance.

The effective date of the Plan is November 1, 1985. The Plan was restated effective October 1, 2006.

[2] Pension benefits:

The Plan provides participants or their beneficiaries with benefits in accordance with a benefit formula. The benefit amount is based on age, years of service, compensation, and other relevant factors. Full vesting is provided after five years of service have been completed.

Employees are entitled to receive benefit payments at the normal retirement age of 65, although earlier retirement with lesser benefits is permitted. Benefit payments are paid in the following forms: (1) immediate survivorship annuity; (2) straight life annuity; (3) single life annuities with certain periods of five, ten or fifteen years; (4) survivorship life annuities with survivorship percentages of 50, 66 2/3, 75 or 100%; or (5) lump-sum distribution.

[3] Death benefits:

If an active participant dies before their normal retirement date, no benefit will become payable unless the participant is survived by a spouse on the date they die and the participant has a vesting percentage larger than zero. If both conditions are met a Qualified Preretirement Survivor Annuity will become payable. Death benefits will be calculated in like manner if the participant dies after normal retirement age and before annuity starting date. If any death occurs after the participant's annuity starting date the death benefit will be determined by the form of retirement benefit in effect at such date.

API FOILS NORTH AMERICA PENSION PLAN

Notes to Financial Statements March 31, 2016 and 2015

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

[1] Basis of accounting:

The financial statements of the Plan are prepared on the accrual method of accounting.

[2] Subsequent events:

The Plan has evaluated subsequent events through January 17, 2017, the date the financial statements were available to be issued.

[3] Use of estimates:

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

[4] Investment valuation and income recognition:

The Plan's investments are stated 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. The Plan's Committee determines the Plan's valuation policies utilizing information provided by its investment advisors; custodians and the insurance company. See NOTE D for discussion of fair value measurements.

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

[5] Payment of benefits:

Benefits are recorded when paid.

[6] Administrative expenses:

The Plan's expenses are paid either by the Plan or the Company, as provided by the Plan document. Expenses that are paid directly by the Company are excluded from the Plan's financial statements. Certain expenses incurred in connection with the general administration of the Plan that are paid by the Plan are recorded as deductions in the accompanying statement of changes in net assets available for benefits. In addition, certain investment related expenses are included in net depreciation of fair value of investments presented in the accompanying statement of changes in net assets available for benefits.

API FOILS NORTH AMERICA PENSION PLAN

Notes to Financial Statements March 31, 2016 and 2015

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[7] Recent accounting pronouncement ASU 2015-07:

In May 2015 the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update No. 2015-07 ("ASU 2015-07"), Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent), an amendment to Fair Value Measurement Topic 820. ASU 2015-07 removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient. ASU 2015-07 is effective for fiscal years beginning after December 15, 2016, and interim periods within those fiscal years. Early adoption is permitted.

The Plan elected to adopt ASU 2015-07 as of and for the year ended March 31, 2016. Accordingly, investments measured using the net asset value per share practical expedient have not been categorized within the fair value hierarchy.

[8] Recent accounting pronouncement ASU 2015-12:

In July 2015 the FASB issued Accounting Standards Update No. 2015-12 ("ASU 2015-12"), Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962) and Health and Welfare Benefit Plans (Topic 965) (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, and (Part III) Measurement Date Practical Expedient. Part I does not apply to defined benefit plans. Part II eliminates the requirements to disclose individual investments that represent 5 percent or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. Part II also simplifies the level of disaggregation of investments that are measured using fair value. Plans will continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate investments by nature, characteristics and risks. Further, the disclosure of information about fair value measurements shall be provided by general type of plan asset. Part III allows an employee benefit plan with a fiscal year end that does not coincide with the end of a calendar month to measure its investments using the month end closest to its fiscal year end. The amendments are effective for fiscal years beginning after December 15, 2015. Earlier application is permitted.

The Plan elected to adopt ASU 2015-12 as of and for the year ended March 31, 2016.

NOTE C - INVESTMENT CERTIFICATION

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, as permitted under such election, Prudential Retirement Insurance and Annuity Company has certified to the completeness and accuracy of all investments and related investment activity in the accompanying statements of net assets available for benefits as of March 31, 2016 and 2015, the statements of changes in net assets available for benefits for the years ended March 31, 2016 and 2015 and the accompanying supplemental schedule of assets (held at end of year) as of March 31, 2016 and supplemental schedule of reportable transactions for the year ended March 31, 2016. The Plan's independent certified public accountant did not perform auditing procedures with respect to this information, except comparing such information to the related information included in the financial statements.

API FOILS NORTH AMERICA PENSION PLAN

Notes to Financial Statements March 31, 2016 and 2015

NOTE D - FUNDING POLICY

The Plan's funding policy is for the Company to contribute an amount that will meet or exceed the annual ERISA minimum funding requirement. During the years ended March 31, 2016 and 2015, the Company made contributions of \$151,369 and \$158,874, respectively. The Company's contributions for the years ended March 31, 2016 and 2015, exceeded the minimum funding requirements of ERISA.

NOTE E - FAIR VALUE MEASUREMENTS

The FASB Accounting Standards Codification ("ASC") 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. The framework 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 under FASB ASC 820 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: (1) quoted prices for similar assets or liabilities in active markets; (2) quoted prices for identical or similar assets or liabilities in inactive markets; (3) inputs other than quoted prices that are observable for the asset or liability; or (4) 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 measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for investment assets measured at fair value. There have been no changes in the methodologies used at March 31, 2016.

Pooled separate accounts: Valued at the net asset value ("NAV"), as a practical expedient, based on the market value of the underlying investments. The NAV is not a publicly-quoted price in an active market. The pooled separate accounts are comprised of a wide variety of underlying investments.

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

API FOILS NORTH AMERICA PENSION PLAN

Notes to Financial Statements March 31, 2016 and 2015

NOTE E - FAIR VALUE MEASUREMENTS (CONTINUED)

The following tables set forth, by level, within the fair value hierarchy, the Plan's investment assets at fair value as of March 31, 2016 and 2015:

Investment Assets at Fair Value as of March 31, 2016

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments measured at net asset value (A) Pooled separate accounts	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 2,761,657</u>
Total investment assets measured at net asset value				<u>2,761,657</u>
Total investment assets, at fair value				<u>\$ 2,761,657</u>

Investment Assets at Fair Value as of March 31, 2015

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments measured at net asset value (A) Pooled separate accounts	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 3,307,970</u>
Total investment assets measured at net asset value				<u>3,307,970</u>
Total investment assets, at fair value				<u>\$ 3,307,970</u>

(A) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of net assets available for benefits.

NOTE F - ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS

The accumulated plan benefits are those future periodic payments, including lump-sum distributions, which are attributable, under the Plan's provisions, to the service 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 accumulated based on employees' compensation during each year of credited service. The accumulated plan benefits for active employees will equal the accumulation, with interest, of the annual benefit accruals as of the benefit information date, less any accrued benefit under the ICI Specialty Chemicals Pension Plan. On September 30, 2004, the accrued benefit was frozen and no additional benefits accrue after such 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 that 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 between the valuation date and the expected date of payment.

NOTE F - ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS (CONTINUED)

API FOILS NORTH AMERICA PENSION PLAN

Notes to Financial Statements March 31, 2016 and 2015

The effect of plan amendments on accumulated plan benefits is recognized during the year in which such amendments become effective. The actuarial present value of accumulated plan benefits as of March 31, 2015 is as follows:

Vested benefits:	
Participants current receiving benefits	\$ 453,935
Other participants	<u>3,444,727</u>
Total vested benefits	3,898,662
Non-vested benefits	<u>-</u>
Total actuarial present value of accumulated plan benefits	<u>\$ 3,898,662</u>

Reconciliation of changes in the actuarial present value of accumulated plan benefits as of March 31, 2015 is as follows:

Actuarial present value of accumulated plan benefits as of March 31, 2014	\$ <u>4,223,513</u>
Increase (decrease) during the year attributable to:	
Increase for interest	265,190
Benefits accumulated and actuarial (gain)/loss	(5,249)
Changes in actuarial assumption (mortality table)	14,561
Benefits paid	<u>(599,353)</u>
Net decrease	<u>(324,851)</u>
Actuarial present value of accumulated plan benefits as of March 31, 2015	<u>\$ 3,898,662</u>

Significant actuarial assumptions used in the valuation of the actuarial present value of accumulated plan benefits as of March 31, 2015 were:

- Interest (discount) rate: 6.75%
- Mortality table: RP-2014 Total Dataset Mortality with Scale MP-2015
- Expected retirement age: Age 65

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits. The computations of the actuarial present value of accumulated plan benefits were made as of April 1, 2015. Had the valuations been performed as of March 31, 2015 there would be no material differences.

API FOILS NORTH AMERICA PENSION PLAN

Notes to Financial Statements March 31, 2016 and 2015

NOTE G - TAX STATUS

The Internal Revenue Service ("IRS") has determined and informed the Company by a letter dated December 11, 2007 that the Plan is qualified under the Internal Revenue Code ("IRC") and therefore the related trust is exempt from taxation. The Plan has been amended since receiving the tax determination letter. However, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and therefore, believes that the Plan is qualified, and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the plan and recognize a tax liability if the plan has taken an uncertain position that more likely than not would not be sustained upon examination by a government authority. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of March 31, 2016, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine examinations by taxing jurisdictions; however, there are currently no examinations for any tax periods in progress.

NOTE H - RELATED-PARTY TRANSACTIONS AND PARTY IN INTEREST TRANSACTIONS

Certain investments are pooled separate accounts managed by Prudential Retirement Insurance and Annuity Company; therefore, transactions related to these investments qualify as party-in-interest transactions.

NOTE I - RISKS AND UNCERTAINTIES

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

Plan contributions are made and the actuarial present value of accumulated Plan benefits are prepared 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 estimates 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.

Volatility in the financial markets may significantly impact the subsequent valuation of the Plan's investments. Accordingly, the valuation of investments at March 31, 2016 may not necessarily be indicative of amounts that could be realized in a current market exchange.

NOTE J - PLAN TERMINATION

Although it has not expressed any intention to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions as set forth in ERISA. In the event the Plan terminates, the net assets of the Plan will 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.

NOTE J - PLAN TERMINATION (CONTINUED)

API FOILS NORTH AMERICA PENSION PLAN

Notes to Financial Statements March 31, 2016 and 2015

- b. Other vested benefits insured by the Pension Benefit Guaranty Corporation (the "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).

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 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. The maximum guarantee is set by law and it is updated each calendar year. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. A statutory ceiling exists, which is adjusted periodically, on the amount of an individual's monthly benefit that the PBGC guarantees. For Plan terminations occurring during 2016, that ceiling is approximately \$5,011 per month. That ceiling applies to those pensioners who elect to receive their benefits in the form of a single-life annuity and are at least 65 years old at the time of retirement or Plan termination (whichever comes later). The amount is higher for those who retire later and lower for those that retire earlier or elect joint and survivor benefits. Further limitations apply for plans created or amended to increase benefits within five years before the plan's termination date. PBGC guarantees the larger of 20% of the benefit increase, or \$20 per month for each full year the benefit increase was in effect.

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 accumulated benefit obligations and may also depend on the financial condition of the Plan sponsor and the level of benefits guaranteed by the PBGC.

API Foils North America Pension Plan

Employer Identification # 48-1199126 Plan No. 001
Schedule H, Part IV, Line 4i of Form 5500
Schedule of Assets (Held at End of Year)
March 31, 2016

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
*	Prudential Retirement Insurance and Annuity Company	Large Cap Blend/MFS	\$ 263,404	\$ 364,044
*	Prudential Retirement Insurance and Annuity Company	Large Cap Growth/JP Morgan	196,890	283,788
*	Prudential Retirement Insurance and Annuity Company	Large Cap Value/LSV Asset Mgmt	201,439	279,414
*	Prudential Retirement Insurance and Annuity Company	Small Cap Growth/RBC	43,847	68,400
*	Prudential Retirement Insurance and Annuity Company	Small Cap Value/Kennedy Capital	35,780	61,320
*	Prudential Retirement Insurance and Annuity Company	International Blend/AQR	187,015	169,903
*	Prudential Retirement Insurance and Annuity Company	Core Plus Bond/PGIM Fund	1,281,416	1,384,211
*	Prudential Retirement Insurance and Annuity Company	Prudential Short-Term	62,486	62,486
	Prudential Retirement Insurance and Annuity Company	Real Estate/Am Century Fund	60,305	<u>88,091</u>
				<u>\$ 2,761,657</u>
*	Party-in-interest, as defined by ERISA			

API Foils North America Pension Plan

Employer Identification # 48-1199126, Plan No. 001
Schedule H, Part IV, Line 4(j) of Form 5500
Schedule of Reportable Transactions
Year Ended March 31, 2016

(a)	(b)	(c)	(d)	(g)	(h)	(i)
Identity of Party Involved	Description of Asset	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain (Loss)
Prudential Retirement Insurance Annuity Company	Core Plus Bond/PGIM Fund	\$77,093	-	\$77,093	\$77,093	-
Prudential Retirement Insurance Annuity Company	Core Plus Bond/PGIM Fund		370,000	345,900	370,000	24,100
Prudential Retirement Insurance Annuity Company	Prudential Short-Term	686,688	-	686,688	686,688	-
Prudential Retirement Insurance Annuity Company	Prudential Short-Term	-	669,464	669,462	669,464	2

See independent auditor's report on supplemental schedules.

**API FOILS NORTH AMERICA
PENSION PLAN**

**FINANCIAL STATEMENTS AND INDEPENDENT
AUDITOR'S REPORT**

**MARCH 31, 2016 and 2015
(With supplementary information)**

API FOILS NORTH AMERICA PENSION PLAN

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MONTGOMERY COSCIA GREILICH LLP

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Independent Auditor's Report

To the Participants and Plan Administrator of
API Foils North America Pension Plan:

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of API Foils North America Pension Plan (the "Plan") which comprise the statement of net assets available for benefits as of March 31, 2016, and the related statement of changes in net assets available for 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.

Auditor's Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by Prudential Retirement Insurance and Annuity Company, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan Administrator that the Trustee holds the Plan's investment assets and executes investment transactions. The Plan Administrator has obtained a certification from the Trustee, as of and for the year ended March 31, 2016, 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.

MONTGOMERY COSCIA GREILICH LLP

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Other Matter – Supplemental Schedules

The supplemental schedules of Schedule H, Line 4i – Schedule of Assets (Held at Year End) as of March 31, 2016 and Schedule H, Line 4j – Schedule of Reportable Transactions for the year ended March 31, 2016, are required by the Department of Labor’s (“DOL”) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on these supplemental schedules.

Other Matter – 2015 Financial Statements

The financial statements of the Plan as of March 31, 2015, were audited by predecessor auditors. 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 the predecessor auditors not to perform, and they did not perform any auditing procedures with respect to the information certified by Prudential Retirement Insurance and Annuity Company, the Trustee of the Plan. Their report, dated November 20, 2015, indicated that (a) because of the significance of information that they did not audit, they were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, they did not express an opinion of the financial statements, (b) the form and content of the information certified by the Trustee, were 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.

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

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

Montgomery Coscia Greilich LLP

MONTGOMERY COSCIA GREILICH LLP

Plano, Texas

January 17, 2017

API FOILS NORTH AMERICA PENSION PLAN

Statements of Net Assets Available For Benefits March 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Investments, at fair value:		
Pooled separate accounts	\$ 2,761,657	\$ 3,307,970
Receivables:		
Employer contributions	<u>37,934</u>	<u>40,752</u>
Net assets available for benefits	<u>\$ 2,799,591</u>	<u>\$ 3,348,722</u>

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

API FOILS NORTH AMERICA PENSION PLAN

Statements of Changes in Net Assets Available For Benefits For the Years Ended March 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Additions to/(deductions from) net assets:		
Investment (loss)/income:		
Net realized/unrealized (depreciation)/appreciation in fair value of investments	\$ (36,555)	\$ 256,039
Employer contributions	151,369	158,874
Benefits paid to participants	(630,786)	(599,353)
Administrative fees	<u>(33,159)</u>	<u>(25,298)</u>
Net decrease	<u>(549,131)</u>	<u>(209,738)</u>
Net assets available for benefits – beginning	<u>3,348,722</u>	<u>3,558,460</u>
Net assets available for benefits – ending	<u><u>\$ 2,799,591</u></u>	<u><u>\$ 3,348,722</u></u>

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

API FOILS NORTH AMERICA PENSION PLAN

Notes to Financial Statements March 31, 2016 and 2015

NOTE A - DESCRIPTION OF PLAN

The following brief description of API Foils North America Pension Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan agreement for more complete information.

[1] General:

The Plan is a noncontributory defined benefit pension plan covering substantially all nonunion employees of API Foils, Inc. (the "Company"), who meet certain eligibility requirements as to length of service and age. Former employees of Astor Universal, ICI American Holdings, Inc., Imperial Chemical Industries of Canada, Limited, API America Ltd. and Dri-Print Foils, Inc. are eligible for participation in the Plan, as defined. Effective September 30, 2004, the Plan was amended to discontinue the addition of new participants to the Plan and cease all future benefit accruals under the Plan.

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"). The trustee of the Plan is Prudential Bank & Trust, FSB. The Company is the Plan sponsor. In March 2015, the Company became a wholly owned indirect subsidiary of Steel Partners Holdings LP. The Plan is administered by the Investment Committee (the "Committee"). The Committee has overall responsibility for the operation and administration of the Plan. The Committee determines the appropriateness of the Plan's investments and monitors investment performance.

The effective date of the Plan is November 1, 1985. The Plan was restated effective October 1, 2006.

[2] Pension benefits:

The Plan provides participants or their beneficiaries with benefits in accordance with a benefit formula. The benefit amount is based on age, years of service, compensation, and other relevant factors. Full vesting is provided after five years of service have been completed.

Employees are entitled to receive benefit payments at the normal retirement age of 65, although earlier retirement with lesser benefits is permitted. Benefit payments are paid in the following forms: (1) immediate survivorship annuity; (2) straight life annuity; (3) single life annuities with certain periods of five, ten or fifteen years; (4) survivorship life annuities with survivorship percentages of 50, 66 2/3, 75 or 100%; or (5) lump-sum distribution.

[3] Death benefits:

If an active participant dies before their normal retirement date, no benefit will become payable unless the participant is survived by a spouse on the date they die and the participant has a vesting percentage larger than zero. If both conditions are met a Qualified Preretirement Survivor Annuity will become payable. Death benefits will be calculated in like manner if the participant dies after normal retirement age and before annuity starting date. If any death occurs after the participant's annuity starting date the death benefit will be determined by the form of retirement benefit in effect at such date.

API FOILS NORTH AMERICA PENSION PLAN

Notes to Financial Statements March 31, 2016 and 2015

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

[1] Basis of accounting:

The financial statements of the Plan are prepared on the accrual method of accounting.

[2] Subsequent events:

The Plan has evaluated subsequent events through January 17, 2017, the date the financial statements were available to be issued.

[3] Use of estimates:

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

[4] Investment valuation and income recognition:

The Plan's investments are stated 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. The Plan's Committee determines the Plan's valuation policies utilizing information provided by its investment advisors; custodians and the insurance company. See NOTE D for discussion of fair value measurements.

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

[5] Payment of benefits:

Benefits are recorded when paid.

[6] Administrative expenses:

The Plan's expenses are paid either by the Plan or the Company, as provided by the Plan document. Expenses that are paid directly by the Company are excluded from the Plan's financial statements. Certain expenses incurred in connection with the general administration of the Plan that are paid by the Plan are recorded as deductions in the accompanying statement of changes in net assets available for benefits. In addition, certain investment related expenses are included in net depreciation of fair value of investments presented in the accompanying statement of changes in net assets available for benefits.

API FOILS NORTH AMERICA PENSION PLAN

Notes to Financial Statements March 31, 2016 and 2015

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[7] Recent accounting pronouncement ASU 2015-07:

In May 2015 the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update No. 2015-07 ("ASU 2015-07"), Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent), an amendment to Fair Value Measurement Topic 820. ASU 2015-07 removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient. ASU 2015-07 is effective for fiscal years beginning after December 15, 2016, and interim periods within those fiscal years. Early adoption is permitted.

The Plan elected to adopt ASU 2015-07 as of and for the year ended March 31, 2016. Accordingly, investments measured using the net asset value per share practical expedient have not been categorized within the fair value hierarchy.

[8] Recent accounting pronouncement ASU 2015-12:

In July 2015 the FASB issued Accounting Standards Update No. 2015-12 ("ASU 2015-12"), Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962) and Health and Welfare Benefit Plans (Topic 965) (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, and (Part III) Measurement Date Practical Expedient. Part I does not apply to defined benefit plans. Part II eliminates the requirements to disclose individual investments that represent 5 percent or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. Part II also simplifies the level of disaggregation of investments that are measured using fair value. Plans will continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate investments by nature, characteristics and risks. Further, the disclosure of information about fair value measurements shall be provided by general type of plan asset. Part III allows an employee benefit plan with a fiscal year end that does not coincide with the end of a calendar month to measure its investments using the month end closest to its fiscal year end. The amendments are effective for fiscal years beginning after December 15, 2015. Earlier application is permitted.

The Plan elected to adopt ASU 2015-12 as of and for the year ended March 31, 2016.

NOTE C - INVESTMENT CERTIFICATION

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, as permitted under such election, Prudential Retirement Insurance and Annuity Company has certified to the completeness and accuracy of all investments and related investment activity in the accompanying statements of net assets available for benefits as of March 31, 2016 and 2015, the statements of changes in net assets available for benefits for the years ended March 31, 2016 and 2015 and the accompanying supplemental schedule of assets (held at end of year) as of March 31, 2016 and supplemental schedule of reportable transactions for the year ended March 31, 2016. The Plan's independent certified public accountant did not perform auditing procedures with respect to this information, except comparing such information to the related information included in the financial statements.

API FOILS NORTH AMERICA PENSION PLAN

Notes to Financial Statements March 31, 2016 and 2015

NOTE D - FUNDING POLICY

The Plan's funding policy is for the Company to contribute an amount that will meet or exceed the annual ERISA minimum funding requirement. During the years ended March 31, 2016 and 2015, the Company made contributions of \$151,369 and \$158,874, respectively. The Company's contributions for the years ended March 31, 2016 and 2015, exceeded the minimum funding requirements of ERISA.

NOTE E - FAIR VALUE MEASUREMENTS

The FASB Accounting Standards Codification ("ASC") 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. The framework 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 under FASB ASC 820 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: (1) quoted prices for similar assets or liabilities in active markets; (2) quoted prices for identical or similar assets or liabilities in inactive markets; (3) inputs other than quoted prices that are observable for the asset or liability; or (4) 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 measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for investment assets measured at fair value. There have been no changes in the methodologies used at March 31, 2016.

Pooled separate accounts: Valued at the net asset value ("NAV"), as a practical expedient, based on the market value of the underlying investments. The NAV is not a publicly-quoted price in an active market. The pooled separate accounts are comprised of a wide variety of underlying investments.

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

API FOILS NORTH AMERICA PENSION PLAN

Notes to Financial Statements March 31, 2016 and 2015

NOTE E - FAIR VALUE MEASUREMENTS (CONTINUED)

The following tables set forth, by level, within the fair value hierarchy, the Plan's investment assets at fair value as of March 31, 2016 and 2015:

Investment Assets at Fair Value as of March 31, 2016

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments measured at net asset value (A) Pooled separate accounts	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 2,761,657</u>
Total investment assets measured at net asset value				<u>2,761,657</u>
Total investment assets, at fair value				<u>\$ 2,761,657</u>

Investment Assets at Fair Value as of March 31, 2015

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments measured at net asset value (A) Pooled separate accounts	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 3,307,970</u>
Total investment assets measured at net asset value				<u>3,307,970</u>
Total investment assets, at fair value				<u>\$ 3,307,970</u>

(A) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of net assets available for benefits.

NOTE F - ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS

The accumulated plan benefits are those future periodic payments, including lump-sum distributions, which are attributable, under the Plan's provisions, to the service 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 accumulated based on employees' compensation during each year of credited service. The accumulated plan benefits for active employees will equal the accumulation, with interest, of the annual benefit accruals as of the benefit information date, less any accrued benefit under the ICI Specialty Chemicals Pension Plan. On September 30, 2004, the accrued benefit was frozen and no additional benefits accrue after such 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 that 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 between the valuation date and the expected date of payment.

NOTE F - ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS (CONTINUED)

API FOILS NORTH AMERICA PENSION PLAN

Notes to Financial Statements March 31, 2016 and 2015

The effect of plan amendments on accumulated plan benefits is recognized during the year in which such amendments become effective. The actuarial present value of accumulated plan benefits as of March 31, 2015 is as follows:

Vested benefits:	
Participants current receiving benefits	\$ 453,935
Other participants	<u>3,444,727</u>
Total vested benefits	3,898,662
Non-vested benefits	<u>-</u>
Total actuarial present value of accumulated plan benefits	<u>\$ 3,898,662</u>

Reconciliation of changes in the actuarial present value of accumulated plan benefits as of March 31, 2015 is as follows:

Actuarial present value of accumulated plan benefits as of March 31, 2014	\$ <u>4,223,513</u>
Increase (decrease) during the year attributable to:	
Increase for interest	265,190
Benefits accumulated and actuarial (gain)/loss	(5,249)
Changes in actuarial assumption (mortality table)	14,561
Benefits paid	<u>(599,353)</u>
Net decrease	<u>(324,851)</u>
Actuarial present value of accumulated plan benefits as of March 31, 2015	<u>\$ 3,898,662</u>

Significant actuarial assumptions used in the valuation of the actuarial present value of accumulated plan benefits as of March 31, 2015 were:

- Interest (discount) rate: 6.75%
- Mortality table: RP-2014 Total Dataset Mortality with Scale MP-2015
- Expected retirement age: Age 65

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits. The computations of the actuarial present value of accumulated plan benefits were made as of April 1, 2015. Had the valuations been performed as of March 31, 2015 there would be no material differences.

API FOILS NORTH AMERICA PENSION PLAN

Notes to Financial Statements March 31, 2016 and 2015

NOTE G - TAX STATUS

The Internal Revenue Service ("IRS") has determined and informed the Company by a letter dated December 11, 2007 that the Plan is qualified under the Internal Revenue Code ("IRC") and therefore the related trust is exempt from taxation. The Plan has been amended since receiving the tax determination letter. However, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and therefore, believes that the Plan is qualified, and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the plan and recognize a tax liability if the plan has taken an uncertain position that more likely than not would not be sustained upon examination by a government authority. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of March 31, 2016, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine examinations by taxing jurisdictions; however, there are currently no examinations for any tax periods in progress.

NOTE H - RELATED-PARTY TRANSACTIONS AND PARTY IN INTEREST TRANSACTIONS

Certain investments are pooled separate accounts managed by Prudential Retirement Insurance and Annuity Company; therefore, transactions related to these investments qualify as party-in-interest transactions.

NOTE I - RISKS AND UNCERTAINTIES

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

Plan contributions are made and the actuarial present value of accumulated Plan benefits are prepared 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 estimates 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.

Volatility in the financial markets may significantly impact the subsequent valuation of the Plan's investments. Accordingly, the valuation of investments at March 31, 2016 may not necessarily be indicative of amounts that could be realized in a current market exchange.

NOTE J - PLAN TERMINATION

Although it has not expressed any intention to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions as set forth in ERISA. In the event the Plan terminates, the net assets of the Plan will 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.

NOTE J - PLAN TERMINATION (CONTINUED)

API FOILS NORTH AMERICA PENSION PLAN

Notes to Financial Statements March 31, 2016 and 2015

- b. Other vested benefits insured by the Pension Benefit Guaranty Corporation (the "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).

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 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. The maximum guarantee is set by law and it is updated each calendar year. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. A statutory ceiling exists, which is adjusted periodically, on the amount of an individual's monthly benefit that the PBGC guarantees. For Plan terminations occurring during 2016, that ceiling is approximately \$5,011 per month. That ceiling applies to those pensioners who elect to receive their benefits in the form of a single-life annuity and are at least 65 years old at the time of retirement or Plan termination (whichever comes later). The amount is higher for those who retire later and lower for those that retire earlier or elect joint and survivor benefits. Further limitations apply for plans created or amended to increase benefits within five years before the plan's termination date. PBGC guarantees the larger of 20% of the benefit increase, or \$20 per month for each full year the benefit increase was in effect.

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 accumulated benefit obligations and may also depend on the financial condition of the Plan sponsor and the level of benefits guaranteed by the PBGC.

API Foils North America Pension Plan

Employer Identification # 48-1199126 Plan No. 001
Schedule H, Part IV, Line 4i of Form 5500
Schedule of Assets (Held at End of Year)
March 31, 2016

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
*	Prudential Retirement Insurance and Annuity Company	Large Cap Blend/MFS	\$ 263,404	\$ 364,044
*	Prudential Retirement Insurance and Annuity Company	Large Cap Growth/JP Morgan	196,890	283,788
*	Prudential Retirement Insurance and Annuity Company	Large Cap Value/LSV Asset Mgmt	201,439	279,414
*	Prudential Retirement Insurance and Annuity Company	Small Cap Growth/RBC	43,847	68,400
*	Prudential Retirement Insurance and Annuity Company	Small Cap Value/Kennedy Capital	35,780	61,320
*	Prudential Retirement Insurance and Annuity Company	International Blend/AQR	187,015	169,903
*	Prudential Retirement Insurance and Annuity Company	Core Plus Bond/PGIM Fund	1,281,416	1,384,211
*	Prudential Retirement Insurance and Annuity Company	Prudential Short-Term	62,486	62,486
	Prudential Retirement Insurance and Annuity Company	Real Estate/Am Century Fund	60,305	<u>88,091</u>
				<u>\$ 2,761,657</u>
*	Party-in-interest, as defined by ERISA			

API Foils North America Pension Plan

Employer Identification # 48-1199126, Plan No. 001
Schedule H, Part IV, Line 4(j) of Form 5500
Schedule of Reportable Transactions
Year Ended March 31, 2016

(a)	(b)	(c)	(d)	(g)	(h)	(i)
Identity of Party Involved	Description of Asset	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain (Loss)
Prudential Retirement Insurance Annuity Company	Core Plus Bond/PGIM Fund	\$77,093	-	\$77,093	\$77,093	-
Prudential Retirement Insurance Annuity Company	Core Plus Bond/PGIM Fund		370,000	345,900	370,000	24,100
Prudential Retirement Insurance Annuity Company	Prudential Short-Term	686,688	-	686,688	686,688	-
Prudential Retirement Insurance Annuity Company	Prudential Short-Term	-	669,464	669,462	669,464	2

See independent auditor's report on supplemental schedules.

**API FOILS NORTH AMERICA
PENSION PLAN**

**FINANCIAL STATEMENTS AND INDEPENDENT
AUDITOR'S REPORT**

**MARCH 31, 2016 and 2015
(With supplementary information)**

API FOILS NORTH AMERICA PENSION PLAN

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MONTGOMERY COSCIA GREILICH LLP

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972.748.0700 f

Independent Auditor's Report

To the Participants and Plan Administrator of
API Foils North America Pension Plan:

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of API Foils North America Pension Plan (the "Plan") which comprise the statement of net assets available for benefits as of March 31, 2016, and the related statement of changes in net assets available for 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.

Auditor's Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by Prudential Retirement Insurance and Annuity Company, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan Administrator that the Trustee holds the Plan's investment assets and executes investment transactions. The Plan Administrator has obtained a certification from the Trustee, as of and for the year ended March 31, 2016, 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.

MONTGOMERY COSCIA GREILICH LLP

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972.748.0700 f

Other Matter – Supplemental Schedules

The supplemental schedules of Schedule H, Line 4i – Schedule of Assets (Held at Year End) as of March 31, 2016 and Schedule H, Line 4j – Schedule of Reportable Transactions for the year ended March 31, 2016, are required by the Department of Labor’s (“DOL”) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on these supplemental schedules.

Other Matter – 2015 Financial Statements

The financial statements of the Plan as of March 31, 2015, were audited by predecessor auditors. 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 the predecessor auditors not to perform, and they did not perform any auditing procedures with respect to the information certified by Prudential Retirement Insurance and Annuity Company, the Trustee of the Plan. Their report, dated November 20, 2015, indicated that (a) because of the significance of information that they did not audit, they were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, they did not express an opinion of the financial statements, (b) the form and content of the information certified by the Trustee, were 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.

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

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

Montgomery Coscia Greulich LLP

MONTGOMERY COSCIA GREILICH LLP

Plano, Texas

January 17, 2017

2500 Dallas Parkway, Suite 300
Plano, Texas 75093

300 Throckmorton Street, Suite 520
Fort Worth, Texas 76102

2901 Via Fortuna, Building 6, Suite 550
Austin, Texas 78746

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API FOILS NORTH AMERICA PENSION PLAN

Statements of Net Assets Available For Benefits March 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Investments, at fair value:		
Pooled separate accounts	\$ 2,761,657	\$ 3,307,970
Receivables:		
Employer contributions	<u>37,934</u>	<u>40,752</u>
Net assets available for benefits	<u>\$ 2,799,591</u>	<u>\$ 3,348,722</u>

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

API FOILS NORTH AMERICA PENSION PLAN

Statements of Changes in Net Assets Available For Benefits For the Years Ended March 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Additions to/(deductions from) net assets:		
Investment (loss)/income:		
Net realized/unrealized (depreciation)/appreciation in fair value of investments	\$ (36,555)	\$ 256,039
Employer contributions	151,369	158,874
Benefits paid to participants	(630,786)	(599,353)
Administrative fees	<u>(33,159)</u>	<u>(25,298)</u>
Net decrease	<u>(549,131)</u>	<u>(209,738)</u>
Net assets available for benefits – beginning	<u>3,348,722</u>	<u>3,558,460</u>
Net assets available for benefits – ending	<u><u>\$ 2,799,591</u></u>	<u><u>\$ 3,348,722</u></u>

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

API FOILS NORTH AMERICA PENSION PLAN

Notes to Financial Statements March 31, 2016 and 2015

NOTE A - DESCRIPTION OF PLAN

The following brief description of API Foils North America Pension Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan agreement for more complete information.

[1] General:

The Plan is a noncontributory defined benefit pension plan covering substantially all nonunion employees of API Foils, Inc. (the "Company"), who meet certain eligibility requirements as to length of service and age. Former employees of Astor Universal, ICI American Holdings, Inc., Imperial Chemical Industries of Canada, Limited, API America Ltd. and Dri-Print Foils, Inc. are eligible for participation in the Plan, as defined. Effective September 30, 2004, the Plan was amended to discontinue the addition of new participants to the Plan and cease all future benefit accruals under the Plan.

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"). The trustee of the Plan is Prudential Bank & Trust, FSB. The Company is the Plan sponsor. In March 2015, the Company became a wholly owned indirect subsidiary of Steel Partners Holdings LP. The Plan is administered by the Investment Committee (the "Committee"). The Committee has overall responsibility for the operation and administration of the Plan. The Committee determines the appropriateness of the Plan's investments and monitors investment performance.

The effective date of the Plan is November 1, 1985. The Plan was restated effective October 1, 2006.

[2] Pension benefits:

The Plan provides participants or their beneficiaries with benefits in accordance with a benefit formula. The benefit amount is based on age, years of service, compensation, and other relevant factors. Full vesting is provided after five years of service have been completed.

Employees are entitled to receive benefit payments at the normal retirement age of 65, although earlier retirement with lesser benefits is permitted. Benefit payments are paid in the following forms: (1) immediate survivorship annuity; (2) straight life annuity; (3) single life annuities with certain periods of five, ten or fifteen years; (4) survivorship life annuities with survivorship percentages of 50, 66 2/3, 75 or 100%; or (5) lump-sum distribution.

[3] Death benefits:

If an active participant dies before their normal retirement date, no benefit will become payable unless the participant is survived by a spouse on the date they die and the participant has a vesting percentage larger than zero. If both conditions are met a Qualified Preretirement Survivor Annuity will become payable. Death benefits will be calculated in like manner if the participant dies after normal retirement age and before annuity starting date. If any death occurs after the participant's annuity starting date the death benefit will be determined by the form of retirement benefit in effect at such date.

API FOILS NORTH AMERICA PENSION PLAN

Notes to Financial Statements March 31, 2016 and 2015

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

[1] Basis of accounting:

The financial statements of the Plan are prepared on the accrual method of accounting.

[2] Subsequent events:

The Plan has evaluated subsequent events through January 17, 2017, the date the financial statements were available to be issued.

[3] Use of estimates:

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

[4] Investment valuation and income recognition:

The Plan's investments are stated 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. The Plan's Committee determines the Plan's valuation policies utilizing information provided by its investment advisors; custodians and the insurance company. See NOTE D for discussion of fair value measurements.

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

[5] Payment of benefits:

Benefits are recorded when paid.

[6] Administrative expenses:

The Plan's expenses are paid either by the Plan or the Company, as provided by the Plan document. Expenses that are paid directly by the Company are excluded from the Plan's financial statements. Certain expenses incurred in connection with the general administration of the Plan that are paid by the Plan are recorded as deductions in the accompanying statement of changes in net assets available for benefits. In addition, certain investment related expenses are included in net depreciation of fair value of investments presented in the accompanying statement of changes in net assets available for benefits.

API FOILS NORTH AMERICA PENSION PLAN

Notes to Financial Statements March 31, 2016 and 2015

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[7] Recent accounting pronouncement ASU 2015-07:

In May 2015 the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update No. 2015-07 ("ASU 2015-07"), Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent), an amendment to Fair Value Measurement Topic 820. ASU 2015-07 removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient. ASU 2015-07 is effective for fiscal years beginning after December 15, 2016, and interim periods within those fiscal years. Early adoption is permitted.

The Plan elected to adopt ASU 2015-07 as of and for the year ended March 31, 2016. Accordingly, investments measured using the net asset value per share practical expedient have not been categorized within the fair value hierarchy.

[8] Recent accounting pronouncement ASU 2015-12:

In July 2015 the FASB issued Accounting Standards Update No. 2015-12 ("ASU 2015-12"), Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962) and Health and Welfare Benefit Plans (Topic 965) (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, and (Part III) Measurement Date Practical Expedient. Part I does not apply to defined benefit plans. Part II eliminates the requirements to disclose individual investments that represent 5 percent or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. Part II also simplifies the level of disaggregation of investments that are measured using fair value. Plans will continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate investments by nature, characteristics and risks. Further, the disclosure of information about fair value measurements shall be provided by general type of plan asset. Part III allows an employee benefit plan with a fiscal year end that does not coincide with the end of a calendar month to measure its investments using the month end closest to its fiscal year end. The amendments are effective for fiscal years beginning after December 15, 2015. Earlier application is permitted.

The Plan elected to adopt ASU 2015-12 as of and for the year ended March 31, 2016.

NOTE C - INVESTMENT CERTIFICATION

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, as permitted under such election, Prudential Retirement Insurance and Annuity Company has certified to the completeness and accuracy of all investments and related investment activity in the accompanying statements of net assets available for benefits as of March 31, 2016 and 2015, the statements of changes in net assets available for benefits for the years ended March 31, 2016 and 2015 and the accompanying supplemental schedule of assets (held at end of year) as of March 31, 2016 and supplemental schedule of reportable transactions for the year ended March 31, 2016. The Plan's independent certified public accountant did not perform auditing procedures with respect to this information, except comparing such information to the related information included in the financial statements.

API FOILS NORTH AMERICA PENSION PLAN

Notes to Financial Statements March 31, 2016 and 2015

NOTE D - FUNDING POLICY

The Plan's funding policy is for the Company to contribute an amount that will meet or exceed the annual ERISA minimum funding requirement. During the years ended March 31, 2016 and 2015, the Company made contributions of \$151,369 and \$158,874, respectively. The Company's contributions for the years ended March 31, 2016 and 2015, exceeded the minimum funding requirements of ERISA.

NOTE E - FAIR VALUE MEASUREMENTS

The FASB Accounting Standards Codification ("ASC") 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. The framework 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 under FASB ASC 820 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: (1) quoted prices for similar assets or liabilities in active markets; (2) quoted prices for identical or similar assets or liabilities in inactive markets; (3) inputs other than quoted prices that are observable for the asset or liability; or (4) 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 measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for investment assets measured at fair value. There have been no changes in the methodologies used at March 31, 2016.

Pooled separate accounts: Valued at the net asset value ("NAV"), as a practical expedient, based on the market value of the underlying investments. The NAV is not a publicly-quoted price in an active market. The pooled separate accounts are comprised of a wide variety of underlying investments.

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

API FOILS NORTH AMERICA PENSION PLAN

Notes to Financial Statements March 31, 2016 and 2015

NOTE E - FAIR VALUE MEASUREMENTS (CONTINUED)

The following tables set forth, by level, within the fair value hierarchy, the Plan's investment assets at fair value as of March 31, 2016 and 2015:

Investment Assets at Fair Value as of March 31, 2016

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments measured at net asset value (A) Pooled separate accounts	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 2,761,657</u>
Total investment assets measured at net asset value				<u>2,761,657</u>
Total investment assets, at fair value				<u>\$ 2,761,657</u>

Investment Assets at Fair Value as of March 31, 2015

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments measured at net asset value (A) Pooled separate accounts	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 3,307,970</u>
Total investment assets measured at net asset value				<u>3,307,970</u>
Total investment assets, at fair value				<u>\$ 3,307,970</u>

(A) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of net assets available for benefits.

NOTE F - ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS

The accumulated plan benefits are those future periodic payments, including lump-sum distributions, which are attributable, under the Plan's provisions, to the service 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 accumulated based on employees' compensation during each year of credited service. The accumulated plan benefits for active employees will equal the accumulation, with interest, of the annual benefit accruals as of the benefit information date, less any accrued benefit under the ICI Specialty Chemicals Pension Plan. On September 30, 2004, the accrued benefit was frozen and no additional benefits accrue after such 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 that 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 between the valuation date and the expected date of payment.

NOTE F - ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS (CONTINUED)

API FOILS NORTH AMERICA PENSION PLAN

Notes to Financial Statements March 31, 2016 and 2015

The effect of plan amendments on accumulated plan benefits is recognized during the year in which such amendments become effective. The actuarial present value of accumulated plan benefits as of March 31, 2015 is as follows:

Vested benefits:	
Participants current receiving benefits	\$ 453,935
Other participants	<u>3,444,727</u>
Total vested benefits	3,898,662
Non-vested benefits	<u>-</u>
Total actuarial present value of accumulated plan benefits	<u>\$ 3,898,662</u>

Reconciliation of changes in the actuarial present value of accumulated plan benefits as of March 31, 2015 is as follows:

Actuarial present value of accumulated plan benefits as of March 31, 2014	\$ <u>4,223,513</u>
Increase (decrease) during the year attributable to:	
Increase for interest	265,190
Benefits accumulated and actuarial (gain)/loss	(5,249)
Changes in actuarial assumption (mortality table)	14,561
Benefits paid	<u>(599,353)</u>
Net decrease	<u>(324,851)</u>
Actuarial present value of accumulated plan benefits as of March 31, 2015	<u>\$ 3,898,662</u>

Significant actuarial assumptions used in the valuation of the actuarial present value of accumulated plan benefits as of March 31, 2015 were:

- Interest (discount) rate: 6.75%
- Mortality table: RP-2014 Total Dataset Mortality with Scale MP-2015
- Expected retirement age: Age 65

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits. The computations of the actuarial present value of accumulated plan benefits were made as of April 1, 2015. Had the valuations been performed as of March 31, 2015 there would be no material differences.

API FOILS NORTH AMERICA PENSION PLAN

Notes to Financial Statements March 31, 2016 and 2015

NOTE G - TAX STATUS

The Internal Revenue Service ("IRS") has determined and informed the Company by a letter dated December 11, 2007 that the Plan is qualified under the Internal Revenue Code ("IRC") and therefore the related trust is exempt from taxation. The Plan has been amended since receiving the tax determination letter. However, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and therefore, believes that the Plan is qualified, and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the plan and recognize a tax liability if the plan has taken an uncertain position that more likely than not would not be sustained upon examination by a government authority. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of March 31, 2016, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine examinations by taxing jurisdictions; however, there are currently no examinations for any tax periods in progress.

NOTE H - RELATED-PARTY TRANSACTIONS AND PARTY IN INTEREST TRANSACTIONS

Certain investments are pooled separate accounts managed by Prudential Retirement Insurance and Annuity Company; therefore, transactions related to these investments qualify as party-in-interest transactions.

NOTE I - RISKS AND UNCERTAINTIES

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

Plan contributions are made and the actuarial present value of accumulated Plan benefits are prepared 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 estimates 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.

Volatility in the financial markets may significantly impact the subsequent valuation of the Plan's investments. Accordingly, the valuation of investments at March 31, 2016 may not necessarily be indicative of amounts that could be realized in a current market exchange.

NOTE J - PLAN TERMINATION

Although it has not expressed any intention to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions as set forth in ERISA. In the event the Plan terminates, the net assets of the Plan will 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.

NOTE J - PLAN TERMINATION (CONTINUED)

API FOILS NORTH AMERICA PENSION PLAN

Notes to Financial Statements March 31, 2016 and 2015

- b. Other vested benefits insured by the Pension Benefit Guaranty Corporation (the "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).

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 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. The maximum guarantee is set by law and it is updated each calendar year. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. A statutory ceiling exists, which is adjusted periodically, on the amount of an individual's monthly benefit that the PBGC guarantees. For Plan terminations occurring during 2016, that ceiling is approximately \$5,011 per month. That ceiling applies to those pensioners who elect to receive their benefits in the form of a single-life annuity and are at least 65 years old at the time of retirement or Plan termination (whichever comes later). The amount is higher for those who retire later and lower for those that retire earlier or elect joint and survivor benefits. Further limitations apply for plans created or amended to increase benefits within five years before the plan's termination date. PBGC guarantees the larger of 20% of the benefit increase, or \$20 per month for each full year the benefit increase was in effect.

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 accumulated benefit obligations and may also depend on the financial condition of the Plan sponsor and the level of benefits guaranteed by the PBGC.

API Foils North America Pension Plan

Employer Identification # 48-1199126 Plan No. 001
Schedule H, Part IV, Line 4i of Form 5500
Schedule of Assets (Held at End of Year)
March 31, 2016

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
* Prudential Retirement Insurance and Annuity Company		Large Cap Blend/MFS	\$ 263,404	\$ 364,044
* Prudential Retirement Insurance and Annuity Company		Large Cap Growth/JP Morgan	196,890	283,788
* Prudential Retirement Insurance and Annuity Company		Large Cap Value/LSV Asset Mgmt	201,439	279,414
* Prudential Retirement Insurance and Annuity Company		Small Cap Growth/RBC	43,847	68,400
* Prudential Retirement Insurance and Annuity Company		Small Cap Value/Kennedy Capital	35,780	61,320
* Prudential Retirement Insurance and Annuity Company		International Blend/AQR	187,015	169,903
* Prudential Retirement Insurance and Annuity Company		Core Plus Bond/PGIM Fund	1,281,416	1,384,211
* Prudential Retirement Insurance and Annuity Company		Prudential Short-Term	62,486	62,486
Prudential Retirement Insurance and Annuity Company		Real Estate/Am Century Fund	60,305	<u>88,091</u>
				<u>\$ 2,761,657</u>
* Party-in-interest, as defined by ERISA				

API Foils North America Pension Plan

Employer Identification # 48-1199126, Plan No. 001
Schedule H, Part IV, Line 4(j) of Form 5500
Schedule of Reportable Transactions
Year Ended March 31, 2016

(a)	(b)	(c)	(d)	(g)	(h)	(i)
Identity of Party Involved	Description of Asset	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain (Loss)
Prudential Retirement Insurance Annuity Company	Core Plus Bond/PGIM Fund	\$77,093	-	\$77,093	\$77,093	-
Prudential Retirement Insurance Annuity Company	Core Plus Bond/PGIM Fund		370,000	345,900	370,000	24,100
Prudential Retirement Insurance Annuity Company	Prudential Short-Term	686,688	-	686,688	686,688	-
Prudential Retirement Insurance Annuity Company	Prudential Short-Term	-	669,464	669,462	669,464	2

See independent auditor's report on supplemental schedules.