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| <b>Form 5500</b><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security<br>Administration<br><br>Pension Benefit Guaranty Corporation | <b>Annual Return/Report of Employee Benefit Plan</b><br><br>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).<br><br><b>▶ Complete all entries in accordance with the instructions to the Form 5500.</b> | OMB Nos. 1210-0110<br>1210-0089               |
|                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                    | <b>2015</b>                                   |
|                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                    | <b>This Form is Open to Public Inspection</b> |

|                                                                                                          |                                                                                                                                                                                                                                                                                                                                                |
|----------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part I</b>                                                                                            | <b>Annual Report Identification Information</b>                                                                                                                                                                                                                                                                                                |
| For calendar plan year 2015 or fiscal plan year beginning <u>07/01/2015</u> and ending <u>06/30/2016</u> |                                                                                                                                                                                                                                                                                                                                                |
| <b>A</b> This return/report is for:                                                                      | <input type="checkbox"/> a multiemployer plan; <input type="checkbox"/> a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or<br><input checked="" type="checkbox"/> a single-employer plan; <input type="checkbox"/> a DFE (specify) ____ |
| <b>B</b> This return/report is:                                                                          | <input type="checkbox"/> the first return/report; <input type="checkbox"/> the final return/report;<br><input type="checkbox"/> an amended return/report; <input type="checkbox"/> a short plan year return/report (less than 12 months).                                                                                                      |
| <b>C</b> If the plan is a collectively-bargained plan, check here. ....                                  | <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                       |
| <b>D</b> Check box if filing under:                                                                      | <input checked="" type="checkbox"/> Form 5558; <input type="checkbox"/> automatic extension; <input type="checkbox"/> the DFVC program;<br><input type="checkbox"/> special extension (enter description)                                                                                                                                      |

|                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                        |
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| <b>Part II</b>                                                                                                                                                                                                                                                                                                                                              | <b>Basic Plan Information</b> —enter all requested information                                                                                                                                         |
| <b>1a</b> Name of plan<br><u>MAGNODE CORPORATION PENSION PLAN</u>                                                                                                                                                                                                                                                                                           | <b>1b</b> Three-digit plan number (PN) ▶ <u>001</u><br><b>1c</b> Effective date of plan<br><u>02/15/1958</u>                                                                                           |
| <b>2a</b> Plan sponsor's name (employer, if for a single-employer plan)<br>Mailing address (include room, apt., suite no. and street, or P.O. Box)<br>City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)<br><u>MAGNODE CORPORATION</u><br><br><u>400 EAST STATE STREET</u><br><u>TRENTON, OH 45067</u> | <b>2b</b> Employer Identification Number (EIN)<br><u>31-0536201</u><br><b>2c</b> Plan Sponsor's telephone number<br><u>513-988-6351</u><br><b>2d</b> Business code (see instructions)<br><u>332900</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.

|                                                                                                 |                                                          |                   |                                                              |
|-------------------------------------------------------------------------------------------------|----------------------------------------------------------|-------------------|--------------------------------------------------------------|
| <b>SIGN HERE</b>                                                                                | <u>Filed with authorized/valid electronic signature.</u> | <u>04/13/2017</u> | <u>DOUGLAS HOWELL</u>                                        |
|                                                                                                 | <b>Signature of plan administrator</b>                   | Date              | Enter name of individual signing as plan administrator       |
| <b>SIGN HERE</b>                                                                                |                                                          |                   |                                                              |
|                                                                                                 | <b>Signature of employer/plan sponsor</b>                | Date              | Enter name of individual signing as employer or plan sponsor |
| <b>SIGN HERE</b>                                                                                |                                                          |                   |                                                              |
|                                                                                                 | <b>Signature of DFE</b>                                  | 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                                  |
|                                                                                                 |                                                          |                   |                                                              |

|                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor                                                                                                                                                                                                                                                                                                                      | <b>3b</b> Administrator's EIN                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>3c</b> Administrator's telephone number                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>4</b> 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:<br><b>a</b> Sponsor's name                                                                                                                                                                                                             | <b>4b</b> EIN<br><b>4c</b> PN                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>5</b> Total number of participants at the beginning of the plan year                                                                                                                                                                                                                                                                                                                                                       | <b>5</b> 116                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>6</b> Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines <b>6a(1)</b> , <b>6a(2)</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ).                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>a(1)</b> Total number of active participants at the beginning of the plan year.....                                                                                                                                                                                                                                                                                                                                        | <b>6a(1)</b> 65                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>a(2)</b> Total number of active participants at the end of the plan year .....                                                                                                                                                                                                                                                                                                                                             | <b>6a(2)</b> 60                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>b</b> Retired or separated participants receiving benefits.....                                                                                                                                                                                                                                                                                                                                                            | <b>6b</b> 14                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>c</b> Other retired or separated participants entitled to future benefits.....                                                                                                                                                                                                                                                                                                                                             | <b>6c</b> 34                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>d</b> Subtotal. Add lines <b>6a(2)</b> , <b>6b</b> , and <b>6c</b> .....                                                                                                                                                                                                                                                                                                                                                   | <b>6d</b> 108                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....                                                                                                                                                                                                                                                                                                                     | <b>6e</b> 3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> .....                                                                                                                                                                                                                                                                                                                                                                       | <b>6f</b> 111                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) .....                                                                                                                                                                                                                                                                               | <b>6g</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>h</b> Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested .....                                                                                                                                                                                                                                                                                   | <b>6h</b> 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) .....                                                                                                                                                                                                                                                                                          | <b>7</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>8a</b> If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:<br>1A 11                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>b</b> If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>9a</b> Plan funding arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor                                                                                                                                 | <b>9b</b> Plan benefit arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor                                                                                                                                                                                                     |
| <b>10</b> Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>a Pension Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information)<br>(2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary<br>(3) <input checked="" type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary | <b>b General Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information)<br>(2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan)<br>(3) <input type="checkbox"/> <b>A</b> (Insurance Information)<br>(4) <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information)<br>(5) <input type="checkbox"/> <b>D</b> (DFE/Participating Plan Information)<br>(6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules) |

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| <b>Part III</b> | <b>Form M-1 Compliance Information (to be completed by welfare benefit plans)</b> |
|-----------------|-----------------------------------------------------------------------------------|

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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.

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

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**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 \_\_\_\_\_

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|                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                    |                                                                                           |
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| <b>SCHEDULE SB</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small><br><br><small>Pension Benefit Guaranty Corporation</small> | <b>Single-Employer Defined Benefit Plan</b><br><b>Actuarial Information</b><br><br>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).<br><br><b>► File as an attachment to Form 5500 or 5500-SF.</b> | OMB No. 1210-0110<br><br><b>2015</b><br><br><b>This Form is Open to Public Inspection</b> |
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For calendar plan year 2015 or fiscal plan year beginning 07/01/2015 and ending 06/30/2016

► **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.

|                                                                                                        |                                                                                                                                                                                                 |
|--------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>A</b> Name of plan<br><u>MAGNODE CORPORATION PENSION PLAN</u>                                       | <b>B</b> Three-digit plan number (PN) <span style="float: right;">►</span><br><div style="border: 1px solid black; width: 100px; height: 20px; margin: 5px auto; text-align: center;">001</div> |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF<br><u>MAGNODE CORPORATION</u> | <b>D</b> Employer Identification Number (EIN)<br><u>31-0536201</u>                                                                                                                              |

**E** Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B **F** Prior year plan size: ☐ 100 or fewer ☒ 101-500 ☐ More than 500

| <b>Part I</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>Basic Information</b>   |                           |                                                                    |                            |                           |                                                                                                                                                                                                          |                                                                      |    |         |         |                                            |    |        |        |                                 |    |         |         |               |     |         |         |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|---------------------------|--------------------------------------------------------------------|----------------------------|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|----|---------|---------|--------------------------------------------|----|--------|--------|---------------------------------|----|---------|---------|---------------|-----|---------|---------|
| <b>1</b> Enter the valuation date: Month <u>07</u> Day <u>01</u> Year <u>2015</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                            |                           |                                                                    |                            |                           |                                                                                                                                                                                                          |                                                                      |    |         |         |                                            |    |        |        |                                 |    |         |         |               |     |         |         |
| <b>2</b> Assets: <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">a Market value .....</td> <td style="width: 10%; text-align: center;"><b>2a</b></td> <td style="width: 20%; text-align: right;">3849235</td> </tr> <tr> <td>b Actuarial value .....</td> <td style="text-align: center;"><b>2b</b></td> <td style="text-align: right;">3909675</td> </tr> </table>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                            | a Market value .....      | <b>2a</b>                                                          | 3849235                    | b Actuarial value .....   | <b>2b</b>                                                                                                                                                                                                | 3909675                                                              |    |         |         |                                            |    |        |        |                                 |    |         |         |               |     |         |         |
| a Market value .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>2a</b>                  | 3849235                   |                                                                    |                            |                           |                                                                                                                                                                                                          |                                                                      |    |         |         |                                            |    |        |        |                                 |    |         |         |               |     |         |         |
| b Actuarial value .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>2b</b>                  | 3909675                   |                                                                    |                            |                           |                                                                                                                                                                                                          |                                                                      |    |         |         |                                            |    |        |        |                                 |    |         |         |               |     |         |         |
| <b>3</b> Funding target/participant count breakdown <table style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 55%;"></th> <th style="width: 15%; text-align: center;">(1) Number of participants</th> <th style="width: 20%; text-align: center;">(2) Vested Funding Target</th> <th style="width: 10%; text-align: center;">(3) Total Funding Target</th> </tr> <tr> <td>a For retired participants and beneficiaries receiving payment .....</td> <td style="text-align: center;">15</td> <td style="text-align: center;">1403971</td> <td style="text-align: center;">1403971</td> </tr> <tr> <td>b For terminated vested participants .....</td> <td style="text-align: center;">36</td> <td style="text-align: center;">630043</td> <td style="text-align: center;">630043</td> </tr> <tr> <td>c For active participants .....</td> <td style="text-align: center;">65</td> <td style="text-align: center;">2667499</td> <td style="text-align: center;">2667499</td> </tr> <tr> <td>d Total .....</td> <td style="text-align: center;">116</td> <td style="text-align: center;">4701513</td> <td style="text-align: center;">4701513</td> </tr> </table> |                            |                           |                                                                    | (1) Number of participants | (2) Vested Funding Target | (3) Total Funding Target                                                                                                                                                                                 | a For retired participants and beneficiaries receiving payment ..... | 15 | 1403971 | 1403971 | b For terminated vested participants ..... | 36 | 630043 | 630043 | c For active participants ..... | 65 | 2667499 | 2667499 | d Total ..... | 116 | 4701513 | 4701513 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | (1) Number of participants | (2) Vested Funding Target | (3) Total Funding Target                                           |                            |                           |                                                                                                                                                                                                          |                                                                      |    |         |         |                                            |    |        |        |                                 |    |         |         |               |     |         |         |
| a For retired participants and beneficiaries receiving payment .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 15                         | 1403971                   | 1403971                                                            |                            |                           |                                                                                                                                                                                                          |                                                                      |    |         |         |                                            |    |        |        |                                 |    |         |         |               |     |         |         |
| b For terminated vested participants .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 36                         | 630043                    | 630043                                                             |                            |                           |                                                                                                                                                                                                          |                                                                      |    |         |         |                                            |    |        |        |                                 |    |         |         |               |     |         |         |
| c For active participants .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 65                         | 2667499                   | 2667499                                                            |                            |                           |                                                                                                                                                                                                          |                                                                      |    |         |         |                                            |    |        |        |                                 |    |         |         |               |     |         |         |
| d Total .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 116                        | 4701513                   | 4701513                                                            |                            |                           |                                                                                                                                                                                                          |                                                                      |    |         |         |                                            |    |        |        |                                 |    |         |         |               |     |         |         |
| <b>4</b> If the plan is in at-risk status, check the box and complete lines (a) and (b) ..... <input type="checkbox"/> <table 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;"><b>4a</b></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;"><b>4b</b></td> <td></td> </tr> </table>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                            |                           | a Funding target disregarding prescribed at-risk assumptions ..... | <b>4a</b>                  |                           | 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 ..... | <b>4b</b>                                                            |    |         |         |                                            |    |        |        |                                 |    |         |         |               |     |         |         |
| a Funding target disregarding prescribed at-risk assumptions .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>4a</b>                  |                           |                                                                    |                            |                           |                                                                                                                                                                                                          |                                                                      |    |         |         |                                            |    |        |        |                                 |    |         |         |               |     |         |         |
| 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 .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>4b</b>                  |                           |                                                                    |                            |                           |                                                                                                                                                                                                          |                                                                      |    |         |         |                                            |    |        |        |                                 |    |         |         |               |     |         |         |
| <b>5</b> Effective interest rate .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                            | 6.34 %                    |                                                                    |                            |                           |                                                                                                                                                                                                          |                                                                      |    |         |         |                                            |    |        |        |                                 |    |         |         |               |     |         |         |
| <b>6</b> Target normal cost .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                            | 11000                     |                                                                    |                            |                           |                                                                                                                                                                                                          |                                                                      |    |         |         |                                            |    |        |        |                                 |    |         |         |               |     |         |         |

**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.

|                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                            |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <div style="border: 1px solid black; width: 100px; height: 40px; margin: 5px auto; text-align: center;">SIGN HERE</div> <div style="border-bottom: 1px solid black; height: 20px; margin-top: 10px;"></div> Signature of actuary<br><br><u>AUDREY CERVAS</u><br>Type or print name of actuary<br><br><u>BUCK CONSULTANTS, LLC</u><br>Firm name<br><br><u>6000 FREEDOM SQUARE, SUITE 100</u><br><u>INDEPENDENCE, OH 44131</u><br>Address of the firm | <div style="border-bottom: 1px solid black; height: 20px; margin-top: 10px;"></div> Date<br><u>03/10/2017</u><br><div style="border-bottom: 1px solid black; height: 20px; margin-top: 10px;"></div> Most recent enrollment number<br><u>14-06430</u><br><div style="border-bottom: 1px solid black; height: 20px; margin-top: 10px;"></div> Telephone number (including area code)<br><u>216-642-2799</u> |
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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**

| <b>Part II Beginning of Year Carryover and Prefunding Balances</b>                                                                                                  |                       |                        |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------------------|
|                                                                                                                                                                     | (a) Carryover balance | (b) Prefunding balance |
| <b>7</b> Balance at beginning of prior year after applicable adjustments (line 13 from prior year) .....                                                            | 0                     | 0                      |
| <b>8</b> Portion elected for use to offset prior year's funding requirement (line 35 from prior year) .....                                                         | 0                     | 0                      |
| <b>9</b> Amount remaining (line 7 minus line 8) .....                                                                                                               | 0                     | 0                      |
| <b>10</b> Interest on line 9 using prior year's actual return of <u>0.55%</u> .....                                                                                 | 0                     | 0                      |
| <b>11</b> Prior year's excess contributions to be added to prefunding balance:                                                                                      |                       |                        |
| <b>a</b> Present value of excess contributions (line 38a from prior year) .....                                                                                     |                       | 541                    |
| <b>b(1)</b> 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>6.55%</u> ..... |                       | 35                     |
| <b>b(2)</b> Interest on line 38b from prior year Schedule SB, using prior year's actual return .....                                                                |                       | 0                      |
| <b>c</b> Total available at beginning of current plan year to add to prefunding balance .....                                                                       |                       | 576                    |
| <b>d</b> Portion of (c) to be added to prefunding balance .....                                                                                                     |                       | 0                      |
| <b>12</b> Other reductions in balances due to elections or deemed elections .....                                                                                   | 0                     | 0                      |
| <b>13</b> Balance at beginning of current year (line 9 + line 10 + line 11d – line 12) .....                                                                        | 0                     | 0                      |

| <b>Part III Funding Percentages</b>                                                                                                                                        |           |         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|---------|
| <b>14</b> Funding target attainment percentage .....                                                                                                                       | <b>14</b> | 83.15 % |
| <b>15</b> Adjusted funding target attainment percentage .....                                                                                                              | <b>15</b> | 83.15 % |
| <b>16</b> Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement ..... | <b>16</b> | 86.01 % |
| <b>17</b> If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage .....                                        | <b>17</b> | %       |

| <b>Part IV Contributions and Liquidity Shortfalls</b>                                    |                                   |                                 |                          |                                   |                                 |
|------------------------------------------------------------------------------------------|-----------------------------------|---------------------------------|--------------------------|-----------------------------------|---------------------------------|
| <b>18</b> Contributions made to the plan for the plan year by employer(s) and employees: |                                   |                                 |                          |                                   |                                 |
| (a) Date<br>(MM-DD-YYYY)                                                                 | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees | (a) Date<br>(MM-DD-YYYY) | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees |
| 10/16/2015                                                                               | 26392                             | 0                               |                          |                                   |                                 |
| 01/19/2016                                                                               | 26392                             | 0                               |                          |                                   |                                 |
| 04/21/2016                                                                               | 26392                             | 0                               |                          |                                   |                                 |
| 07/18/2016                                                                               | 26392                             | 0                               |                          |                                   |                                 |
|                                                                                          |                                   |                                 |                          |                                   |                                 |
|                                                                                          |                                   |                                 |                          |                                   |                                 |
|                                                                                          |                                   |                                 | <b>Totals ►</b>          | <b>18(b)</b>                      | 105568                          |
|                                                                                          |                                   |                                 |                          | <b>18(c)</b>                      | 0                               |

|                                                                                                                                                                                             |            |         |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|---------|
| <b>19</b> Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:                                                        |            |         |
| <b>a</b> Contributions allocated toward unpaid minimum required contributions from prior years. ....                                                                                        | <b>19a</b> | 0       |
| <b>b</b> Contributions made to avoid restrictions adjusted to valuation date .....                                                                                                          | <b>19b</b> | 0       |
| <b>c</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date .....                                                                     | <b>19c</b> | 101298  |
| <b>20</b> Quarterly contributions and liquidity shortfalls:                                                                                                                                 |            |         |
| <b>a</b> Did the plan have a "funding shortfall" for the prior year? ..... <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No                                              |            |         |
| <b>b</b> If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |            |         |
| <b>c</b> 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**

|                                                                                                                                                                                              |                        |                        |                        |                                                     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|------------------------|-----------------------------------------------------|
| <b>21</b> Discount rate:                                                                                                                                                                     |                        |                        |                        |                                                     |
| <b>a</b> Segment rates:                                                                                                                                                                      | 1st segment:<br>4.72 % | 2nd segment:<br>6.11 % | 3rd segment:<br>6.81 % | <input type="checkbox"/> N/A, full yield curve used |
| <b>b</b> Applicable month (enter code).....                                                                                                                                                  |                        |                        |                        | <b>21b</b> 4                                        |
| <b>22</b> Weighted average retirement age .....                                                                                                                                              |                        |                        |                        | <b>22</b> 65                                        |
| <b>23</b> Mortality table(s) (see instructions) <input checked="" type="checkbox"/> Prescribed - combined <input type="checkbox"/> Prescribed - separate <input type="checkbox"/> Substitute |                        |                        |                        |                                                     |

**Part VI Miscellaneous Items**

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

**Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years**

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

**Part VIII Minimum Required Contribution For Current Year**

|                                                                                                                                                                                      |                     |                    |               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------------|---------------|
| <b>31</b> Target normal cost and excess assets (see instructions):                                                                                                                   |                     |                    |               |
| <b>a</b> Target normal cost (line 6) .....                                                                                                                                           | <b>31a</b>          | 11000              |               |
| <b>b</b> Excess assets, if applicable, but not greater than line 31a .....                                                                                                           | <b>31b</b>          | 0                  |               |
| <b>32</b> Amortization installments:                                                                                                                                                 | Outstanding Balance | Installment        |               |
| <b>a</b> Net shortfall amortization installment .....                                                                                                                                | 791838              | 1415               |               |
| <b>b</b> Waiver amortization installment .....                                                                                                                                       | 0                   | 0                  |               |
| <b>33</b> 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 ..... | <b>33</b>           |                    |               |
| <b>34</b> Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...                                                            | <b>34</b>           | 12415              |               |
|                                                                                                                                                                                      | Carryover balance   | Prefunding balance | Total balance |
| <b>35</b> Balances elected for use to offset funding requirement.....                                                                                                                | 0                   | 0                  | 0             |
| <b>36</b> Additional cash requirement (line 34 minus line 35) .....                                                                                                                  | <b>36</b>           | 12415              |               |
| <b>37</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) .....                                                  | <b>37</b>           | 101298             |               |
| <b>38</b> Present value of excess contributions for current year (see instructions)                                                                                                  |                     |                    |               |
| <b>a</b> Total (excess, if any, of line 37 over line 36) .....                                                                                                                       | <b>38a</b>          | 88883              |               |
| <b>b</b> Portion included in line 38a attributable to use of prefunding and funding standard carryover balances .....                                                                | <b>38b</b>          | 0                  |               |
| <b>39</b> Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) .....                                                                      | <b>39</b>           | 0                  |               |
| <b>40</b> Unpaid minimum required contributions for all years.....                                                                                                                   | <b>40</b>           | 0                  |               |

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

|                                                                                                |                                                                                                                                               |   |  |
|------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|---|--|
| <b>41</b> If an election was made to use PRA 2010 funding relief for this plan:                |                                                                                                                                               |   |  |
| <b>a</b> Schedule elected .....                                                                | <input type="checkbox"/> 2 plus 7 years <input checked="" type="checkbox"/> 15 years                                                          |   |  |
| <b>b</b> Eligible plan year(s) for which the election in line 41a was made .....               | <input type="checkbox"/> 2008 <input type="checkbox"/> 2009 <input checked="" type="checkbox"/> 2010 <input checked="" type="checkbox"/> 2011 |   |  |
| <b>42</b> Amount of acceleration adjustment .....                                              | <b>42</b>                                                                                                                                     | 0 |  |
| <b>43</b> Excess installment acceleration amount to be carried over to future plan years ..... | <b>43</b>                                                                                                                                     | 0 |  |

|                                                                                                                                                                                                                                              |                                                                                                                                                                                                                             |                                         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|
| <div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury<br/>Internal Revenue Service</div> <div>Department of Labor<br/>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 07/01/2015 and ending 06/30/2016 |                                                      |     |
| A Name of plan<br>MAGNODE CORPORATION PENSION PLAN                                         | B Three-digit plan number (PN) ▶                     | 001 |
| C Plan sponsor's name as shown on line 2a of Form 5500<br>MAGNODE CORPORATION              | D Employer Identification Number (EIN)<br>31-0536201 |     |

|        |                                                 |
|--------|-------------------------------------------------|
| Part I | Service Provider Information (see instructions) |
|--------|-------------------------------------------------|

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

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

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

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

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

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

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

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

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

BUCK CONSULTANTS, LLC

13-3954297

| <b>(b)</b><br>Service Code(s) | <b>(c)</b><br>Relationship to employer, employee organization, or person known to be a party-in-interest | <b>(d)</b><br>Enter direct compensation paid by the plan. If none, enter -0-. | <b>(e)</b><br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | <b>(f)</b><br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | <b>(g)</b><br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | <b>(h)</b><br>Did the service provider give you a formula instead of an amount or estimated amount? |
|-------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
| 11 17 50                      | NONE                                                                                                     | 60384                                                                         | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                         | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                              |                                                                                                                                                                                        | Yes <input type="checkbox"/> No <input type="checkbox"/>                                            |

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

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

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

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

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

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

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

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

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

**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<br>(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<br>(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<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
|                                                                     |                                                                                                                                                                    |                                           |
| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |                                           |
|                                                                     |                                                                                                                                                                    |                                           |

**Part II Service Providers Who Fail or Refuse to Provide Information**

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

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

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

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                              |                                                                                           |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| <b>SCHEDULE H</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small><br><br><small>Pension Benefit Guaranty Corporation</small> | <b>Financial Information</b><br><br>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).<br><br><b>► File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><b>2015</b><br><br><b>This Form is Open to Public Inspection</b> |
| For calendar plan year 2015 or fiscal plan year beginning <b>07/01/2015</b> and ending <b>06/30/2016</b>                                                                                                                                                                 |                                                                                                                                                                                                                                                                              |                                                                                           |
| <b>A</b> Name of plan<br><b>MAGNODE CORPORATION PENSION PLAN</b>                                                                                                                                                                                                         | <b>B</b> Three-digit plan number (PN) <b>►</b>                                                                                                                                                                                                                               | <b>001</b>                                                                                |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><b>MAGNODE CORPORATION</b>                                                                                                                                                                              | <b>D</b> Employer Identification Number (EIN)<br><b>31-0536201</b>                                                                                                                                                                                                           |                                                                                           |

| <b>Part I</b> | <b>Asset and Liability Statement</b> |
|---------------|--------------------------------------|
|---------------|--------------------------------------|

**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.

| <b>Assets</b>                                                                                     |                 | <b>(a) Beginning of Year</b> | <b>(b) End of Year</b> |
|---------------------------------------------------------------------------------------------------|-----------------|------------------------------|------------------------|
| <b>a</b> Total noninterest-bearing cash .....                                                     | <b>1a</b>       |                              |                        |
| <b>b</b> Receivables (less allowance for doubtful accounts):                                      |                 |                              |                        |
| <b>(1)</b> Employer contributions .....                                                           | <b>1b(1)</b>    | 27701                        | 26392                  |
| <b>(2)</b> Participant contributions .....                                                        | <b>1b(2)</b>    |                              |                        |
| <b>(3)</b> Other.....                                                                             | <b>1b(3)</b>    |                              |                        |
| <b>c</b> General investments:                                                                     |                 |                              |                        |
| <b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit) .....  | <b>1c(1)</b>    | 82538                        | 130861                 |
| <b>(2)</b> U.S. Government securities.....                                                        | <b>1c(2)</b>    |                              |                        |
| <b>(3)</b> Corporate debt instruments (other than employer securities):                           |                 |                              |                        |
| <b>(A)</b> Preferred .....                                                                        | <b>1c(3)(A)</b> |                              |                        |
| <b>(B)</b> All other.....                                                                         | <b>1c(3)(B)</b> |                              |                        |
| <b>(4)</b> Corporate stocks (other than employer securities):                                     |                 |                              |                        |
| <b>(A)</b> Preferred .....                                                                        | <b>1c(4)(A)</b> |                              |                        |
| <b>(B)</b> Common .....                                                                           | <b>1c(4)(B)</b> |                              |                        |
| <b>(5)</b> Partnership/joint venture interests .....                                              | <b>1c(5)</b>    |                              |                        |
| <b>(6)</b> Real estate (other than employer real property) .....                                  | <b>1c(6)</b>    |                              |                        |
| <b>(7)</b> Loans (other than to participants) .....                                               | <b>1c(7)</b>    |                              |                        |
| <b>(8)</b> Participant loans .....                                                                | <b>1c(8)</b>    |                              |                        |
| <b>(9)</b> Value of interest in common/collective trusts.....                                     | <b>1c(9)</b>    |                              |                        |
| <b>(10)</b> Value of interest in pooled separate accounts.....                                    | <b>1c(10)</b>   |                              |                        |
| <b>(11)</b> Value of interest in master trust investment accounts .....                           | <b>1c(11)</b>   |                              |                        |
| <b>(12)</b> Value of interest in 103-12 investment entities .....                                 | <b>1c(12)</b>   |                              |                        |
| <b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds).....        | <b>1c(13)</b>   | 3739102                      | 3618070                |
| <b>(14)</b> Value of funds held in insurance company general account (unallocated contracts)..... | <b>1c(14)</b>   |                              |                        |
| <b>(15)</b> Other .....                                                                           | <b>1c(15)</b>   |                              |                        |

**1d** Employer-related investments:

|                                                                      |       | (a) Beginning of Year | (b) End of Year |
|----------------------------------------------------------------------|-------|-----------------------|-----------------|
| (1) Employer securities .....                                        | 1d(1) |                       |                 |
| (2) Employer real property .....                                     | 1d(2) |                       |                 |
| <b>e</b> Buildings and other property used in plan operation .....   | 1e    |                       |                 |
| <b>f</b> Total assets (add all amounts in lines 1a through 1e) ..... | 1f    | 3849341               | 3775323         |

**Liabilities**

|                                                                           |    |   |   |
|---------------------------------------------------------------------------|----|---|---|
| <b>g</b> Benefit claims payable .....                                     | 1g |   |   |
| <b>h</b> Operating payables .....                                         | 1h |   |   |
| <b>i</b> Acquisition indebtedness .....                                   | 1i |   |   |
| <b>j</b> Other liabilities .....                                          | 1j |   |   |
| <b>k</b> Total liabilities (add all amounts in lines 1g through 1j) ..... | 1k | 0 | 0 |

**Net Assets**

|                                                           |    |         |         |
|-----------------------------------------------------------|----|---------|---------|
| <b>l</b> Net assets (subtract line 1k from line 1f) ..... | 1l | 3849341 | 3775323 |
|-----------------------------------------------------------|----|---------|---------|

**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: <b>(A)</b> Employers .....                                        | 2a(1)(A) | 105568     |           |
| <b>(B)</b> Participants .....                                                                              | 2a(1)(B) |            |           |
| <b>(C)</b> Others (including rollovers) .....                                                              | 2a(1)(C) |            |           |
| (2) Noncash contributions .....                                                                            | 2a(2)    |            |           |
| (3) Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> ..... | 2a(3)    |            | 105568    |

**b Earnings on investments:****(1) Interest:**

|                                                                                                      |          |     |     |
|------------------------------------------------------------------------------------------------------|----------|-----|-----|
| <b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit) ..... | 2b(1)(A) | 106 |     |
| <b>(B)</b> U.S. Government securities .....                                                          | 2b(1)(B) |     |     |
| <b>(C)</b> Corporate debt instruments .....                                                          | 2b(1)(C) |     |     |
| <b>(D)</b> Loans (other than to participants) .....                                                  | 2b(1)(D) |     |     |
| <b>(E)</b> Participant loans .....                                                                   | 2b(1)(E) |     |     |
| <b>(F)</b> Other .....                                                                               | 2b(1)(F) |     |     |
| <b>(G)</b> Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....                        | 2b(1)(G) |     | 106 |

|                                                                                           |          |        |        |
|-------------------------------------------------------------------------------------------|----------|--------|--------|
| (2) Dividends: <b>(A)</b> Preferred stock .....                                           | 2b(2)(A) |        |        |
| <b>(B)</b> Common stock .....                                                             | 2b(2)(B) |        |        |
| <b>(C)</b> Registered investment company shares (e.g. mutual funds) .....                 | 2b(2)(C) | 137028 |        |
| <b>(D)</b> Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> ..... | 2b(2)(D) |        | 137028 |

|                 |       |  |  |
|-----------------|-------|--|--|
| (3) Rents ..... | 2b(3) |  |  |
|-----------------|-------|--|--|

|                                                                                           |          |  |   |
|-------------------------------------------------------------------------------------------|----------|--|---|
| (4) Net gain (loss) on sale of assets: <b>(A)</b> Aggregate proceeds .....                | 2b(4)(A) |  |   |
| <b>(B)</b> Aggregate carrying amount (see instructions) .....                             | 2b(4)(B) |  |   |
| <b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result ..... | 2b(4)(C) |  | 0 |

|                                                                                                    |          |  |   |
|----------------------------------------------------------------------------------------------------|----------|--|---|
| (5) Unrealized appreciation (depreciation) of assets: <b>(A)</b> Real estate .....                 | 2b(5)(A) |  |   |
| <b>(B)</b> Other .....                                                                             | 2b(5)(B) |  |   |
| <b>(C)</b> Total unrealized appreciation of assets. Add lines <b>2b(5)(A)</b> and <b>(B)</b> ..... | 2b(5)(C) |  | 0 |

|                                                                                                 |        | (a) Amount | (b) Total |
|-------------------------------------------------------------------------------------------------|--------|------------|-----------|
| (6) Net investment gain (loss) from common/collective trusts .....                              | 2b(6)  |            |           |
| (7) Net investment gain (loss) from pooled separate accounts .....                              | 2b(7)  |            |           |
| (8) Net investment gain (loss) from master trust investment accounts .....                      | 2b(8)  |            |           |
| (9) Net investment gain (loss) from 103-12 investment entities .....                            | 2b(9)  |            |           |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) ..... | 2b(10) |            | -49465    |
| c Other income .....                                                                            | 2c     |            |           |
| d Total income. Add all <b>income</b> amounts in column (b) and enter total .....               | 2d     |            | 193237    |

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

|                                                                                      |       |        |        |
|--------------------------------------------------------------------------------------|-------|--------|--------|
| (1) Directly to participants or beneficiaries, including direct rollovers .....      | 2e(1) | 206871 |        |
| (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) |        | 206871 |
| 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) | 60384  |        |
| (2) Contract administrator fees .....                                                | 2i(2) |        |        |
| (3) Investment advisory and management fees .....                                    | 2i(3) |        |        |
| (4) Other .....                                                                      | 2i(4) |        |        |
| (5) Total administrative expenses. Add lines 2i(1) through (4) .....                 | 2i(5) |        | 60384  |
| j Total expenses. Add all <b>expense</b> amounts in column (b) and enter total ..... | 2j    |        | 267255 |

**Net Income and Reconciliation**

|                                                          |       |  |        |
|----------------------------------------------------------|-------|--|--------|
| k Net income (loss). Subtract line 2j from line 2d ..... | 2k    |  | -74018 |
| 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: **BRIXEY AND MEYER, INC.**

(2) EIN: **30-0132514**

**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 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-------------------------------------|-----|--------|
| <b>a</b> 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.) .....                 |     | <input checked="" type="checkbox"/> |     |        |
| <b>b</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.) ..... |     | <input checked="" type="checkbox"/> |     |        |

|                                                                                                                                                                                                                         | Yes | No | N/A | Amount |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|-----|--------|
| <b>c</b> 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  |     |        |
| <b>d</b> 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  |     |        |
| <b>e</b> Was this plan covered by a fidelity bond?                                                                                                                                                                      | X   |    |     | 500000 |
| <b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?                                                                                       |     | X  |     |        |
| <b>g</b> 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  |     |        |
| <b>h</b> 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  |     |        |
| <b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)                                                                | X   |    |     |        |
| <b>j</b> 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   |    |     |        |
| <b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?                                                           |     | X  |     |        |
| <b>l</b> Has the plan failed to provide any benefit when due under the plan?                                                                                                                                            |     | X  |     |        |
| <b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)                                                                                                  |     |    |     |        |
| <b>n</b> 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.                                     |     |    |     |        |
| <b>o</b> Did the plan trust incur unrelated business taxable income?                                                                                                                                                    |     |    |     |        |
| <b>p</b> 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

|                                        |                                                     |
|----------------------------------------|-----------------------------------------------------|
| <b>6a</b> Name of trust                | <b>6b</b> Trust's EIN                               |
| <b>6c</b> Name of trustee or custodian | <b>6d</b> Trustee's or custodian's telephone number |

|                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                            |                                                                                            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|
| <b>SCHEDULE R</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Retirement Plan Information</b><br><br>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).<br><br>▶ <b>File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><b>2015</b><br><br><b>This Form is Open to Public Inspection.</b> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|

For calendar plan year 2015 or fiscal plan year beginning 07/01/2015 and ending 06/30/2016

|                                                                                             |                                                                    |
|---------------------------------------------------------------------------------------------|--------------------------------------------------------------------|
| <b>A</b> Name of plan<br><u>MAGNODE CORPORATION PENSION PLAN</u>                            | <b>B</b> Three-digit plan number (PN) ▶<br><u>001</u>              |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>MAGNODE CORPORATION</u> | <b>D</b> Employer Identification Number (EIN)<br><u>31-0536201</u> |

|               |                      |
|---------------|----------------------|
| <b>Part I</b> | <b>Distributions</b> |
|---------------|----------------------|

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

|                                                                                                                                                                                                                                                                    |          |          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|----------|
| <b>1</b> Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....                                                                                                                              | <b>1</b> | <u>0</u> |
| <b>2</b> 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):<br><br>EIN(s): <u>31-0950367</u> |          |          |
| Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.                                                                                                                                                                                                   |          |          |
| <b>3</b> Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....                                                                                                                                    | <b>3</b> | <u>5</u> |

|                |                                                                                                                                                                              |
|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part II</b> | <b>Funding Information</b> (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) |
|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                                                                                                             |                                                                                                                         |                                        |                                         |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|----------------------------------------|-----------------------------------------|
| <b>4</b> Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? .....                                                                                                                                                        | <input type="checkbox"/> Yes                                                                                            | <input checked="" type="checkbox"/> No | <input type="checkbox"/> N/A            |
| If the plan is a defined benefit plan, go to line 8.                                                                                                                                                                                                                        |                                                                                                                         |                                        |                                         |
| <b>5</b> 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. |                                        |                                         |
| <b>6 a</b> Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) .....                                                                                                                              | <b>6a</b>                                                                                                               |                                        |                                         |
| <b>b</b> Enter the amount contributed by the employer to the plan for this plan year .....                                                                                                                                                                                  | <b>6b</b>                                                                                                               |                                        |                                         |
| <b>c</b> 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).....                                                                                                                             | <b>6c</b>                                                                                                               |                                        |                                         |
| If you completed line 6c, skip lines 8 and 9.                                                                                                                                                                                                                               |                                                                                                                         |                                        |                                         |
| <b>7</b> Will the minimum funding amount reported on line 6c be met by the funding deadline? .....                                                                                                                                                                          | <input type="checkbox"/> Yes                                                                                            | <input type="checkbox"/> No            | <input type="checkbox"/> N/A            |
| <b>8</b> 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? ..... | <input type="checkbox"/> Yes                                                                                            | <input type="checkbox"/> No            | <input checked="" type="checkbox"/> N/A |

|                 |                   |
|-----------------|-------------------|
| <b>Part III</b> | <b>Amendments</b> |
|-----------------|-------------------|

|                                                                                                                                                                                                                             |                                   |                                   |                               |                                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-------------------------------|----------------------------------------|
| <b>9</b> 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. .... | <input type="checkbox"/> Increase | <input type="checkbox"/> Decrease | <input type="checkbox"/> Both | <input checked="" type="checkbox"/> No |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-------------------------------|----------------------------------------|

|                |                                                                                                                                                   |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part IV</b> | <b>ESOPs</b> (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. |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                              |                              |                             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------------|
| <b>10</b> Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? .....                                                      | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>11 a</b> Does the ESOP hold any preferred stock? .....                                                                                                                                    | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>b</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.) ..... | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>12</b> Does the ESOP hold any stock that is not readily tradable on an established securities market? .....                                                                               | <input type="checkbox"/> Yes | <input type="checkbox"/> 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): \_\_\_\_\_

|           |                                                                                                                                                                                                                                                      |            |  |
|-----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--|
| <b>14</b> | Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:                                                                                                                    |            |  |
|           | <b>a</b> The current year .....                                                                                                                                                                                                                      | <b>14a</b> |  |
|           | <b>b</b> The plan year immediately preceding the current plan year .....                                                                                                                                                                             | <b>14b</b> |  |
|           | <b>c</b> The second preceding plan year .....                                                                                                                                                                                                        | <b>14c</b> |  |
| <b>15</b> | 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:                                                                         |            |  |
|           | <b>a</b> The corresponding number for the plan year immediately preceding the current plan year .....                                                                                                                                                | <b>15a</b> |  |
|           | <b>b</b> The corresponding number for the second preceding plan year .....                                                                                                                                                                           | <b>15b</b> |  |
| <b>16</b> | Information with respect to any employers who withdrew from the plan during the preceding plan year:                                                                                                                                                 |            |  |
|           | <b>a</b> Enter the number of employers who withdrew during the preceding plan year .....                                                                                                                                                             | <b>16a</b> |  |
|           | <b>b</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 .....                                                                               | <b>16b</b> |  |
| <b>17</b> | 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. .... <input type="checkbox"/> |            |  |

|                |                                                                                                   |
|----------------|---------------------------------------------------------------------------------------------------|
| <b>Part VI</b> | <b>Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans</b> |
|----------------|---------------------------------------------------------------------------------------------------|

|           |                                                                                                                                                                                                                                                                                                                                                                                                       |
|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>18</b> | 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 ..... <input type="checkbox"/> |
| <b>19</b> | If the total number of participants is 1,000 or more, complete lines (a) through (c)                                                                                                                                                                                                                                                                                                                  |
|           | <b>a</b> Enter the percentage of plan assets held as:<br>Stock: <u>0.0</u> % Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%                                                                                                                                                                                                                                  |
|           | <b>b</b> Provide the average duration of the combined investment-grade and high-yield debt:<br><input type="checkbox"/> 0-3 years <input type="checkbox"/> 3-6 years <input type="checkbox"/> 6-9 years <input type="checkbox"/> 9-12 years <input type="checkbox"/> 12-15 years <input type="checkbox"/> 15-18 years <input type="checkbox"/> 18-21 years <input type="checkbox"/> 21 years or more  |
|           | <b>c</b> What duration measure was used to calculate line 19(b)?<br><input type="checkbox"/> Effective duration <input type="checkbox"/> Macaulay duration <input type="checkbox"/> Modified duration <input type="checkbox"/> Other (specify): _____                                                                                                                                                 |

|                 |                                 |
|-----------------|---------------------------------|
| <b>Part VII</b> | <b>IRS Compliance Questions</b> |
|-----------------|---------------------------------|

|                                                                                                                                                                                                                                                                                |                                                          |                                                          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|----------------------------------------------------------|
| <b>20a</b> Is the plan a 401(k) plan? .....                                                                                                                                                                                                                                    | <input type="checkbox"/> Yes                             | <input type="checkbox"/> No                              |
| <b>20b</b> 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)? .....                                                              | <input type="checkbox"/> Design-based safe harbor method | <input type="checkbox"/> ADP/ACP test                    |
| <b>20c</b> 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))? .....                   | <input type="checkbox"/> Yes                             | <input type="checkbox"/> No                              |
| <b>21a</b> Check the box to indicate the method used by the plan to satisfy the coverage requirements under section 410(b): .....                                                                                                                                              | <input type="checkbox"/> Ratio percentage test           | <input type="checkbox"/> Average benefit test            |
| <b>21b</b> 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? .....                                                                           | <input type="checkbox"/> Yes                             | <input type="checkbox"/> No                              |
| <b>22a</b> Has the plan been timely amended for all required tax law changes? .....                                                                                                                                                                                            | <input type="checkbox"/> Yes                             | <input type="checkbox"/> No <input type="checkbox"/> N/A |
| <b>22b</b> 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).                                                                            |                                                          |                                                          |
| <b>22c</b> 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 _____. |                                                          |                                                          |
| <b>22d</b> 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 ____/____/____.                                                                           |                                                          |                                                          |
| <b>23</b> 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)? .....                               | <input type="checkbox"/> Yes                             | <input type="checkbox"/> No                              |

# **Magnode Corporation Pension Plan**

## **Financial Statements And Supplemental Schedules**

As of June 30, 2016 and 2015 and for the years then ended  
with Report of Independent Auditors



**Business Minds. Minding Your Business.**

MAGNODE CORPORATION PENSION PLAN

FINANCIAL STATEMENTS  
AND SUPPLEMENTAL SCHEDULES

*As of June 30, 2016 and 2015 and for the years then ended  
with Report of Independent Auditors*

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**BUSINESS MINDS. MINDING YOUR BUSINESS.**

## **Independent Auditor's Report**

To the Plan Administrator  
Magnode Corporation Pension Plan

### ***Report on the Financial Statements***

We were engaged to audit the accompanying financial statements of Magnode Corporation Pension Plan, which comprise the statement of net assets available for benefits as of June 30, 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 (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note C, which was certified by First Financial Bank, Wealth Management, the trustee of the plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the year ended June 30, 2016, that the information provided to the plan administrator by the trustee is complete and accurate.



**BUSINESS MINDS. MINDING YOUR BUSINESS.**

***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 on the 2016 financial statements. Accordingly, we do not express an opinion on the 2016 financial statements referred to in the first paragraph.

***Other Matter – 2015 Financial Statements***

The financial statements of Magnode Corporation Pension Plan as of June 30, 2015 and for the year then ended, were audited by other auditors whose report dated April 5, 2016 did not express an opinion on the 2015 financial statements for the same reason described above in the Basis for Disclaimer of Opinion paragraph. Their report also indicated the form and content of the information in the 2015 financial statements, other than that derived from the information certified or provided by the trustee, was 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.

***Other Matter***

The supplemental Schedule of Assets (Held at End of Year) and the Schedule of Reportable Transactions are required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedules.

**Report on Form and Content in Compliance with DOL Rules and Regulations 2016**

The form and content of the information included in the 2016 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 DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

A handwritten signature in black ink that reads "Brixey &amp; Meyer". The signature is written in a cursive, flowing style.

Brixey & Meyer, Inc.  
Miamisburg, Ohio  
April 11, 2017

# MAGNODE CORPORATION PENSION PLAN

## STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

|                                   | June 30,     |              |
|-----------------------------------|--------------|--------------|
|                                   | 2016         | 2015         |
| <b>ASSETS</b>                     |              |              |
| Investments, at fair value        |              |              |
| Interest-bearing cash             | \$ 130,861   | \$ 82,538    |
| Mutual funds                      | 3,618,070    | 3,739,102    |
| Total investments, at fair value  | 3,748,931    | 3,821,640    |
| Receivables                       |              |              |
| Dividends                         | 5,649        | 18,734       |
| Employer contributions            | 26,392       | 27,701       |
| Total receivables                 | 32,041       | 46,435       |
| Total Assets                      | 3,780,972    | 3,868,075    |
| <b>LIABILITIES</b>                |              |              |
| Accrued expenses                  | 9,280        | 26,147       |
| Total Liabilities                 | 9,280        | 26,147       |
| Net assets available for benefits | \$ 3,771,692 | \$ 3,841,928 |

MAGNODE CORPORATION PENSION PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

|                                                      | <b>Years Ended June 30,</b> |                     |
|------------------------------------------------------|-----------------------------|---------------------|
|                                                      | <b>2016</b>                 | <b>2015</b>         |
| <b>Additions:</b>                                    |                             |                     |
| Employer contributions                               | \$ 105,568                  | \$ 110,804          |
| Interest and dividends                               | 124,049                     | 204,075             |
| Total additions                                      | 229,617                     | 314,879             |
| <b>Deductions:</b>                                   |                             |                     |
| Net depreciation in fair value of investments        | 49,465                      | 201,619             |
| Benefit payments                                     | 206,871                     | 831,220             |
| Administrative expenses                              | 43,517                      | 36,149              |
| Total deductions                                     | 299,853                     | 1,068,988           |
| Net decrease                                         | (70,236)                    | (754,109)           |
| Net assets available for benefits, beginning of year | 3,841,928                   | 4,596,037           |
| Net assets available for benefits, end of year       | <u>\$ 3,771,692</u>         | <u>\$ 3,841,928</u> |

**Magnode Corporation Pension Plan**  
**Notes to the Financial Statements**  
**June 30, 2016 and 2015**

**NOTE A – DESCRIPTION OF PLAN**

The following brief description of the Magnode Corporation Pension Plan (the Plan) is provided for general information purposes only. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

**General Information**

The Plan is a defined benefit pension plan covering several classes of employees of Magnode Corporation (the Company) who met eligibility requirements prior to May 31, 2009. The Plan was frozen on May 31, 2009. As a result, the Plan is closed to new participants and no additional service is credited to employees after May 31, 2009 for purposes of determining accrued benefits. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

**Contributions**

The Company's contributions to the Plan are determined by the Plan's actuary. The Plan does not permit employee contributions.

**Pension Benefits**

Participating employees are entitled to monthly pension benefits beginning at normal retirement (age 65) equal to their monthly benefit formula amount, as defined by the Plan. Participants may elect to receive their pension benefits in the form of a life annuity, life and ten year certain annuity, joint and survivor annuity or lump sum payment. A participant is 100% vested after five years of service. If employees terminate before age 65, and before rendering five years of service, they forfeit the right to receive benefits they have accumulated. The Plan permits early retirement (at ages 55-64) providing the participant has completed five years of service. However, the pension benefit is reduced based upon the number of months the retirement date precedes the participant's normal retirement date.

**Vesting**

Effective June 1, 2009, the plan was amended to treat any participant in the Plan as of May 31, 2009 as 100% vested.

**Death and Disability Benefits**

When an active, married employee dies with five years of service, the participant's spouse shall receive 50% of the accrued benefit reduced as if the participant had retired the day before his death and had elected his benefit to commence the later of immediately or the date he would first be eligible for early retirement in a joint and survivor annuity form.

A participant who is fully vested and is determined to have total and permanent disability is entitled to a monthly pension. The monthly pension is equal to the normal retirement benefit reduced based on the number of months the starting date of such pension precedes his normal retirement date.

**Magnode Corporation Pension Plan**  
**Notes to the Financial Statements**  
**June 30, 2016 and 2015**

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

The accompanying financial statements of the Plan have been prepared on the accrual basis of accounting.

**Use of Estimates**

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

**Investment Valuation and Income Recognition**

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. 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 or depreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

**Cash and Cash Equivalents**

Cash and cash equivalents consist of money market accounts.

**Payment of Benefits**

Benefit payments are recorded when approved. There were no approved but unpaid distribution requests as of June 30, 2016 or 2015.

**Plan Expenses**

Administrative expenses of the Plan are paid by the Plan, as provided in the Plan Document. The Plan Sponsor provides accounting and other administrative services to the Plan at no charge.

**Actuarial Present Value of Accumulated Plan Benefits**

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 retired or terminated employees or their beneficiaries, beneficiaries of employees who have died, and the present employees or their beneficiaries. 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 prior to the valuation date.

**Magnode Corporation Pension Plan**  
**Notes to the Financial Statements**  
**June 30, 2016 and 2015**

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Actuarial Present Value of Accumulated Plan Benefits (continued)**

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

The actuarial present value of accumulated benefits as of July 1, 2015 and 2014 are summarized as follows:

|                                                            | <u>2016</u>         | <u>2015</u>         |
|------------------------------------------------------------|---------------------|---------------------|
| Actuarial Present Value of Accumulated Plan Benefits       |                     |                     |
| Vested benefits:                                           |                     |                     |
| Participants currently receiving payments                  | \$ 1,371,192        | \$ 1,316,710        |
| Terminated participants                                    | 606,197             | 490,202             |
| Active participants                                        | 2,675,520           | 2,652,067           |
| Total Actuarial Present Value of Accumulated Plan Benefits | <u>\$ 4,652,909</u> | <u>\$ 4,458,979</u> |

The changes in accumulated plan benefits for the years ended July 1, 2015 and 2014 are as follows:

|                                                                           | <u>2016</u>         | <u>2015</u>         |
|---------------------------------------------------------------------------|---------------------|---------------------|
| Actuarial Present Value of Accumulated Plan Benefits at Beginning of Year | \$ 4,458,979        | \$ 4,657,365        |
| Increase (decrease) during the year attributable to:                      |                     |                     |
| Benefits paid                                                             | (831,221)           | (703,320)           |
| Interest due to decrease in discount period                               | 324,109             | 344,456             |
| Change in actuarial assumptions                                           | 563,358             | -                   |
| Benefits accumulated and other                                            | 137,684             | 160,478             |
| Net increase (decrease)                                                   | <u>193,930</u>      | <u>(198,386)</u>    |
| Actuarial Present Value of Accumulated Plan Benefits at End of Year       | <u>\$ 4,652,909</u> | <u>\$ 4,458,979</u> |

The significant actuarial assumptions used in the valuations were as follows:

- Investment return on plan assets at an effective rate of 7.00% and 8.00% as of July 1, 2015 and 2014, respectively.
- Discount rate of 7.00% and 8.00% as of July 1, 2015 and 2014, respectively.
- Normal retirement age of 65.

**Magnode Corporation Pension Plan**  
**Notes to the Financial Statements**  
**June 30, 2016 and 2015**

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Actuarial Present Value of Accumulated Plan Benefits (continued)**

- Life expectancy of participants using RP-2014 Mortality (base year 2006) with generational mortality improvements using the MP-2015 scale for Plan year 2016. For the Plan year 2015, mortality basis was calculated using the IRS 2014 Optional Small Plan Mortality Table for male and female lives.

The net increase in the actuarial present value of accumulated benefits is the result of benefits paid, discounts for interest, changes in participant mix, actuarial experience gains and losses, and changes in actuarial assumptions.

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

**Funding Policy**

The Company's funding policy is to make contributions to the Plan as determined by the Plan's independent actuary. The Plan has met the ERISA minimum funding requirements.

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 set forth in ERISA. The plan elected funding relief in order to amortize the shortfall amortization bases established on July 1, 2010 and July 1, 2011 over 15 years.

**Plan Termination**

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

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

**Magnode Corporation Pension Plan**  
**Notes to the Financial Statements**  
**June 30, 2016 and 2015**

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Plan Termination (continued)**

Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. However, there is a statutory ceiling, which is adjusted periodically, on the amount of an individual's monthly benefit that the PBGC guarantees. For plan terminations occurring during 2016 and 2015 that ceiling is 5,011 per month. That ceiling applies to those participants 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). For younger participants or for those who elect to receive their benefits in some form more valuable than a single-life annuity, the corresponding ceilings are actuarially adjusted downward.

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

**Reclassifications**

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform to the presentation in the current-year financial statements.

**Recent Accounting Pronouncements**

In July 2015, the Financial Accounting Standards Board (FASB) issued ASU 2015-12, Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965): (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, (Part III) Measurement Date Practical Expedient. Part I of the ASU 2015-12 is not applicable to the Plan. Part II of the ASU 2015-12 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. It also simplifies the level of disaggregation of investments that are measured using fair value. Plans will continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate investments by nature, characteristics and risks. Further, the disclosure of information about fair value measurements shall be provided by general type of plan asset. Part III of the ASU 2015-12 is not applicable to the Plan. The ASU 2015-12 is effective for fiscal years beginning after December 15, 2015. Part II is to be applied retrospectively. The Plan has elected to adopt ASU 2015-12 early.

**NOTE C – INVESTMENTS (INFORMATION CERTIFIED BY THE PLAN TRUSTEE)**

The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosures under ERISA.

**Magnode Corporation Pension Plan**  
**Notes to the Financial Statements**  
**June 30, 2016 and 2015**

**NOTE C – INVESTMENTS (INFORMATION CERTIFIED BY THE PLAN TRUSTEE) (CONTINUED)**

Accordingly, all investment information disclosed in the accompanying financial statements and supplemental schedules, including investments held at June 30, 2016 and 2015, net depreciation in fair value of investments, and dividends and interest for the years then ended, and reportable transactions, were obtained or derived from information supplied to the plan administrator and certified as complete and accurate by First Financial Bank, Wealth Management.

The Plan's independent auditors did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedule.

**NOTE D – FAIR VALUE MEASUREMENTS**

Accounting Standards Codification Topic 820, *Fair Value Measurements* (ASC Topic 820), establishes a framework for measuring fair value. That 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 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under ASC Topic 820 are described below:

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

*Level 2*            Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs 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.

**Magnode Corporation Pension Plan**  
**Notes to the Financial Statements**  
**June 30, 2016 and 2015**

**NOTE D – FAIR VALUE MEASUREMENTS (CONTINUED)**

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 assets measured at fair value. There have been no changes in the methodologies used at June 30, 2016 and 2015.

- *Interest-bearing cash:* The fair value is based on the actual observable value of the underlying money market funds and is priced daily at the close of business. Inputs are based on broker/dealer quotations, and the valuation technique is a market approach. The fair value of this investment is classified in Level 2 of the fair value hierarchy.
- *Mutual funds:* The fair value of these securities is based on observable market quotations for the actual underlying funds and is priced on a daily basis at the close of business. The Plan does not adjust the quoted price. The fair value of this investment is classified in Level 1 of the fair value hierarchy.

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

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of June 30, 2016:

|                             | <b>Level 1</b> | <b>Level 2</b> | <b>Level 3</b> | <b>Total</b> |
|-----------------------------|----------------|----------------|----------------|--------------|
| Mutual funds                | \$ 3,618,070   | \$ -           | \$ -           | \$ 3,618,070 |
| Interest-bearing cash       | -              | 130,861        | -              | 130,861      |
| Total assets, at fair value | \$ 3,618,070   | \$ 130,861     | \$ -           | \$ 3,748,931 |

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of June 30, 2015:

|                             | <b>Level 1</b> | <b>Level 2</b> | <b>Level 3</b> | <b>Total</b> |
|-----------------------------|----------------|----------------|----------------|--------------|
| Mutual funds                | \$ 3,739,102   | \$ -           | \$ -           | \$ 3,739,102 |
| Interest-bearing cash       | -              | 82,538         | -              | 82,538       |
| Total assets, at fair value | \$ 3,739,102   | \$ 82,538      | \$ -           | \$ 3,821,640 |

**Magnode Corporation Pension Plan**  
**Notes to the Financial Statements**  
**June 30, 2016 and 2015**

**NOTE E – TAX STATUS**

The Internal Revenue Service has determined and informed the Company by a letter dated March 27, 2012, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan has been amended since receiving the determination letter. However, the plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Department of Labor or Internal Revenue Service. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of June 30, 2016, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for the years prior to 2013.

**NOTE F – RECONCILIATION OF FINANCIAL STATEMENT TO FORM 5500**

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500:

|                                                                | <b>June 30,</b>     |                     |
|----------------------------------------------------------------|---------------------|---------------------|
|                                                                | <b>2016</b>         | <b>2015</b>         |
| Net assets available for benefits per the financial statements | \$ 3,771,692        | \$ 3,841,928        |
| Less dividends receivable at June 30, 2015                     | -                   | (18,734)            |
| Add accrued expenses at June 30, 2015                          | -                   | 26,147              |
| Less dividends receivable at June 30, 2016                     | (5,649)             | -                   |
| Add accrued expenses at June 30, 2016                          | 9,280               | -                   |
| Net assets available for benefits per the Form 5500            | <u>\$ 3,775,323</u> | <u>\$ 3,849,341</u> |

The following is a reconciliation of the decrease in net assets for the year ended June 30, 2016 per the financial statements to the Form 5500:

|                                              |                    |
|----------------------------------------------|--------------------|
| Total decrease from the financial statements | \$ (70,236)        |
| Add dividends receivable at June 30, 2015    | 18,734             |
| Less dividends receivable at June 30, 2016   | (5,649)            |
| Less accrued expenses at June 30, 2015       | (26,147)           |
| Add accrued expenses at June 30, 2016        | 9,280              |
| Total decrease from the Form 5500            | <u>\$ (74,018)</u> |

**Magnode Corporation Pension Plan**  
**Notes to the Financial Statements**  
**June 30, 2016 and 2015**

**NOTE G – 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 statements of net assets available for benefits.

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

**NOTE H – PARTIES-IN-INTEREST TRANSACTIONS**

Party-in-interest transactions include those fiduciaries or employees of the Plan, any person who provides services to the Plan and employer whose employees are covered by the Plan, an employee organization whose members are covered by the Plan, a person who owns 50% or more of such an employer or employee association, or relatives of such persons.

Certain administrative expenses are provided by the Company at no cost to the Plan and certain administrative expenses of the Plan are paid by the Company.

**NOTE I – SUBSEQUENT EVENTS**

In connection with the preparation of the Plan's financial statements as of June 30, 2016, and for the year then ended, events and transactions subsequent to June 30, 2016 through April 11, 2017, which is the date on which the financial statements were available to be issued, have been evaluated by the plan administrator for possible adjustment and/or disclosure. No subsequent events requiring financial statement adjustment and/or disclosure have been identified.

## **Supplemental Schedules**

Schedule H, Line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

| (a) | (b)<br>Identity of issue, borrower,<br>lessor, or similar party | (c)<br>Description of investment including<br>maturity date, rate of interest,<br>collateral, par or maturity value | (d)<br>Cost         | (e)<br>Current<br>value |
|-----|-----------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|---------------------|-------------------------|
|     | <b>Interest-Bearing Cash</b>                                    |                                                                                                                     |                     |                         |
|     | Northern Institutional Government Select Fund                   | 130,861 shares                                                                                                      | \$ 130,861          | \$ 130,861              |
|     | <b>Mutual Funds</b>                                             |                                                                                                                     |                     |                         |
|     | Baird Core Plus Bond Inst Fund                                  | 32,719 shares                                                                                                       | 360,850             | 371,686                 |
|     | Blackrock Multi-Asset Income Fund                               | 12,252 shares                                                                                                       | 135,131             | 129,382                 |
|     | BlackRock Strategic Inc Opportunities I Fund                    | 16,504 shares                                                                                                       | 166,250             | 160,414                 |
|     | Brown Advisory Small-Cap Fundamental Value I Fund               | 3,738 shares                                                                                                        | 84,506              | 85,034                  |
|     | Credit Suisse Comm Ret Strategy Instl Fund                      | 9,364 shares                                                                                                        | 54,822              | 47,942                  |
|     | Dreyfus International Bond I Fund                               | 6,228 shares                                                                                                        | 97,734              | 98,520                  |
|     | Fidelity New Markets Income Fund                                | 5,768 shares                                                                                                        | 87,540              | 91,131                  |
|     | Goldman Sachs Small/Mid Cap Growth Fund                         | 4,127 shares                                                                                                        | 94,835              | 82,909                  |
|     | iShares MSCI EAFE Index Tr Fund                                 | 6,926 shares                                                                                                        | 439,045             | 386,609                 |
|     | iShares MSCI USA Minimum Volatility ETF                         | 3,613 shares                                                                                                        | 143,210             | 166,957                 |
|     | iShares Russell 2000 Index Fund                                 | 506 shares                                                                                                          | 63,130              | 58,180                  |
|     | Metropolitan West T/R Bond-I Fund                               | 33,618 shares                                                                                                       | 363,656             | 369,458                 |
|     | Oppenheimer Developing Market - I Fund                          | 6,344 shares                                                                                                        | 214,749             | 197,604                 |
|     | Ridgeworth SEIX Floating - I Fund                               | 10,192 shares                                                                                                       | 88,799              | 86,631                  |
|     | Robeco Boston Prtns Long/Short Research Instl Fund              | 10,006 shares                                                                                                       | 155,001             | 147,487                 |
|     | T Rowe Price Dividend Growth Fund                               | 13,825 shares                                                                                                       | 508,650             | 504,049                 |
|     | Vanguard REIT Index ETF                                         | 2,066 shares                                                                                                        | 153,714             | 183,192                 |
|     | Vanguard Value ETF                                              | 1,892 shares                                                                                                        | 158,266             | 160,801                 |
|     | Vanguard 500 Index Fund CL ADM Fund                             | 1,498 shares                                                                                                        | 283,183             | 290,084                 |
|     |                                                                 |                                                                                                                     | 3,653,071           | 3,618,070               |
|     |                                                                 |                                                                                                                     | <u>\$ 3,783,932</u> | <u>\$ 3,748,931</u>     |

**MAGNODE CORPORATION PENSION PLAN**
**EIN: 31-0536201**
**June 30, 2016**
**Plan: 001**
**Schedule H, Line 4j - SCHEDULE OF REPORTABLE TRANSACTIONS**

| (a)                                                                                 | (b)                   | (c)            | (d)           | (e)          | (f)                               | (g)           | (h)                                        | (i)             |
|-------------------------------------------------------------------------------------|-----------------------|----------------|---------------|--------------|-----------------------------------|---------------|--------------------------------------------|-----------------|
| Identity of party involved                                                          | Description of asset  | Purchase price | Selling price | Lease rental | Expense incurred with transaction | Cost of asset | Current value of asset on transaction date | Net gain (loss) |
| <b><u>Category (i) - Single Transactions in Excess of 5% of Net Assets</u></b>      |                       |                |               |              |                                   |               |                                            |                 |
| Columbia Dividend Opportunity Fund                                                  | Mutual Fund           | \$ -           | \$ 245,751    | \$ -         | \$ -                              | \$ 253,978    | \$ 245,751                                 | \$ (8,227)      |
| iShares MSCI USA Minimum Volatility ETF                                             | Mutual Fund           | 289,909        | -             | -            | -                                 | 289,909       | 289,909                                    | -               |
| MFS Growth I Fund                                                                   | Mutual Fund           | -              | 269,448       | -            | -                                 | 257,376       | 269,448                                    | 12,072          |
| T Rowe Price Dividend Growth Fund                                                   | Mutual Fund           | 517,630        | -             | -            | -                                 | 517,630       | 517,630                                    | -               |
| Vanguard 500 Index Fund CL ADM Fund                                                 | Mutual Fund           | -              | 302,972       | -            | -                                 | 328,597       | 302,972                                    | (25,625)        |
| <b><u>Category (iii) - Series of Transactions in Excess of 5% of Net Assets</u></b> |                       |                |               |              |                                   |               |                                            |                 |
| iShares MSCI USA Minimum Volatility ETF                                             | Mutual Fund           | \$ 289,909     | \$ 146,699    | \$ -         | \$ -                              | \$ 436,608    | \$ 452,773                                 | \$ 16,165       |
| Northern Institutional Government Select Fund                                       | Interest-Bearing Cash | 174,753        | 43,892        | -            | -                                 | 218,645       | 218,645                                    | -               |
| Northern Institutional Prime Obligations Fund                                       | Interest-Bearing Cash | 639,247        | 721,785       | -            | -                                 | 1,361,032     | 1,361,032                                  | -               |
| T Rowe Price Dividend Growth Fund                                                   | Mutual Fund           | 521,444        | 12,807        | -            | -                                 | 534,251       | 533,709                                    | (542)           |
| Vanguard 500 Index Fund CL ADM Fund                                                 | Mutual Fund           | 25,597         | 354,340       | -            | -                                 | 379,937       | 354,436                                    | (25,501)        |

There were no reportable category (ii) or (iv) transactions for the year ended June 30, 2016.

Note: "Reportable Transactions" are defined in Section 2520.103-6 of the Department of Labor's Regulations.

**MAGNODE CORPORATION PENSION PLAN**

**EIN/PN: 31-0536201/001**

**PLAN YEAR: JULY 1, 2015 TO JUNE 30, 2016**

**SCHEDULE SB, LINE 26 – SCHEDULE OF ACTIVE PARTICIPANT DATA**

| Attained     |                   | Years of Credited Service |        |        |          |          |          |          |          |          |         |
|--------------|-------------------|---------------------------|--------|--------|----------|----------|----------|----------|----------|----------|---------|
| Age          |                   | Under 1                   | 1 to 4 | 5 to 9 | 10 to 14 | 15 to 19 | 20 to 24 | 25 to 29 | 30 to 34 | 35 to 39 | 40 & up |
| Under 25     | <i>Number</i>     | 0                         | 0      | 0      | 0        | 0        | 0        | 0        | 0        | 0        | 0       |
|              | <i>Avg. Comp.</i> | N/A                       | N/A    | N/A    | N/A      | N/A      | N/A      | N/A      | N/A      | N/A      | N/A     |
| 25 to 29     | <i>Number</i>     | 0                         | 0      | 0      | 0        | 0        | 0        | 0        | 0        | 0        | 0       |
|              | <i>Avg. Comp.</i> | N/A                       | N/A    | N/A    | N/A      | N/A      | N/A      | N/A      | N/A      | N/A      | N/A     |
| 30 to 34     | <i>Number</i>     | 0                         | 0      | 0      | 1        | 0        | 0        | 0        | 0        | 0        | 0       |
|              | <i>Avg. Comp.</i> | N/A                       | N/A    | N/A    | N/A      | N/A      | N/A      | N/A      | N/A      | N/A      | N/A     |
| 35 to 39     | <i>Number</i>     | 0                         | 0      | 0      | 9        | 1        | 0        | 0        | 0        | 0        | 0       |
|              | <i>Avg. Comp.</i> | N/A                       | N/A    | N/A    | N/A      | N/A      | N/A      | N/A      | N/A      | N/A      | N/A     |
| 40 to 44     | <i>Number</i>     | 0                         | 0      | 1      | 8        | 1        | 2        | 0        | 0        | 0        | 0       |
|              | <i>Avg. Comp.</i> | N/A                       | N/A    | N/A    | N/A      | N/A      | N/A      | N/A      | N/A      | N/A      | N/A     |
| 45 to 49     | <i>Number</i>     | 0                         | 0      | 0      | 5        | 4        | 0        | 0        | 0        | 0        | 0       |
|              | <i>Avg. Comp.</i> | N/A                       | N/A    | N/A    | N/A      | N/A      | N/A      | N/A      | N/A      | N/A      | N/A     |
| 50 to 54     | <i>Number</i>     | 0                         | 0      | 0      | 9        | 1        | 0        | 1        | 0        | 0        | 0       |
|              | <i>Avg. Comp.</i> | N/A                       | N/A    | N/A    | N/A      | N/A      | N/A      | N/A      | N/A      | N/A      | N/A     |
| 55 to 59     | <i>Number</i>     | 0                         | 0      | 0      | 2        | 5        | 0        | 3        | 1        | 2        | 0       |
|              | <i>Avg. Comp.</i> | N/A                       | N/A    | N/A    | N/A      | N/A      | N/A      | N/A      | N/A      | N/A      | N/A     |
| 60 to 64     | <i>Number</i>     | 0                         | 0      | 0      | 3        | 2        | 0        | 1        | 0        | 2        | 0       |
|              | <i>Avg. Comp.</i> | N/A                       | N/A    | N/A    | N/A      | N/A      | N/A      | N/A      | N/A      | N/A      | N/A     |
| 65 to 69     | <i>Number</i>     | 0                         | 0      | 0      | 0        | 0        | 0        | 0        | 1        | 0        | 0       |
|              | <i>Avg. Comp.</i> | N/A                       | N/A    | N/A    | N/A      | N/A      | N/A      | N/A      | N/A      | N/A      | N/A     |
| 70 & up      | <i>Number</i>     | 0                         | 0      | 0      | 0        | 0        | 0        | 0        | 0        | 0        | 0       |
|              | <i>Avg. Comp.</i> | N/A                       | N/A    | N/A    | N/A      | N/A      | N/A      | N/A      | N/A      | N/A      | N/A     |
| <b>Total</b> | <i>Number</i>     | 0                         | 0      | 1      | 37       | 14       | 2        | 5        | 2        | 4        | 0       |

Average compensation not shown since the plan has less than 1000 active participants.

**MAGNODE CORPORATION PENSION PLAN**

**EIN/PN: 31-0536201/001**

**PLAN YEAR: JULY 1, 2015 TO JUNE 30, 2016**

**SCHEDULE SB, PART V — STATEMENT OF ASSUMPTIONS AND METHODS**

**Prescribed Funding/PBGC Assumptions and Methods**

**The following assumptions and methods are prescribed by ERISA, as amended by PPA, MAP-21 and HATFA.**

For 2015 Plan Year: Segment Rates with four-month lookback, constrained in accordance with relevant legislation as follows:

|                     | <b>Unconstrained Rates*</b> | <b>Rates Reflecting Corridor**</b> |
|---------------------|-----------------------------|------------------------------------|
| First Segment Rate  | 1.25%                       | 4.72%                              |
| Second Segment Rate | 4.08%                       | 6.11%                              |
| Third Segment Rate  | 5.15%                       | 6.81%                              |

Effective Interest Rate 6.34%  
Based on constrained rates

For 2014 Plan Year: Segment Rates with four-month lookback, constrained in accordance with relevant legislation as follows:

|                     | <b>Unconstrained Rates*</b> | <b>Rates Reflecting Corridor**</b> |
|---------------------|-----------------------------|------------------------------------|
| First Segment Rate  | 1.20%                       | 4.99%                              |
| Second Segment Rate | 4.06%                       | 6.32%                              |
| Third Segment Rate  | 5.10%                       | 6.99%                              |

Effective Interest Rate 6.55%  
Based on constrained rates

\*Used for maximum tax-deduction purposes

\*\*Used for minimum funding and benefit restriction purposes. See Appendix D under Segment Rate.

## Appendix A: Actuarial Assumptions and Methods (continued)

### Prescribed Funding/PBGC Assumptions and Methods

#### PBGC variable premium

|                     |                     |       |
|---------------------|---------------------|-------|
| For 2015 Plan Year: | First Segment Rate  | 1.25% |
|                     | Second Segment Rate | 4.08% |
|                     | Third Segment Rate  | 5.15% |
| For 2014 Plan Year: | First Segment Rate  | 1.20% |
|                     | Second Segment Rate | 4.06% |
|                     | Third Segment Rate  | 5.10% |

#### Mortality

Mortality tables mandated by PPA as specified in IRS Regulation 1.430(h)(3)-1, applied on a static basis, projected 7 years from the valuation date for annuitants and 15 years for non-annuitants/using the blended annuitant/non-annuitant table applicable to small plans.

#### Actuarial cost method

The Funding Target is the present value of accrued benefits based on compensation and service to date. The Target Normal Cost is the present value of benefits expected to be accrued during the current plan year, reflecting the effect of expected compensation increases during the year and including expected plan administrative and investment expenses to be paid from plan assets during the year.

## **Appendix A: Actuarial Assumptions and Methods (continued)**

### **Non-Prescribed Funding Assumptions and Methods**

The following assumptions were selected by the plan's enrolled actuary expected future experience. The asset valuation method was selected by the plan sponsor and is an acceptable method under PPA.

#### **Salary increases**

N/A (accrued benefits are frozen).

#### **Expenses**

Expected plan administrative expenses of \$11,000 were added to the Target Normal Cost. The expected expenses for the upcoming year are assumed to be the prior year's expenses increased by 3% for cost of living and rounded up to the nearest \$1,000.

#### **Frequency of optional payment forms**

50% of participants will receive a lump sum distribution at termination of employment or retirement and 50% receive a life annuity deferred to age 65. Lump sums are based on the following assumptions:

#### **Interest Rates for lump sum purposes**

Same as funding segment rates.

#### **Mortality table for lump sum purposes**

The PPA mortality table used for 417(e) purposes.

#### **Marital percentage**

85% of participants are assumed to be married at benefit commencement. Husbands are assumed to be 3 years older than their wives.

#### **Retirement rates**

100% Retirement at age 65.

#### **Disability rates**

None assumed.

## Appendix A: Actuarial Assumptions and Methods (continued)

### Non-Prescribed Funding Assumptions and Methods (continued)

#### Withdrawal rates for active participants not eligible for retirement

Based on experience. Sample rates as follows:

| Age | Sex   |        |
|-----|-------|--------|
|     | Male  | Female |
| 20  | 12.5% | 15.0%  |
| 25  | 9.0%  | 11.0%  |
| 30  | 6.5%  | 8.0%   |
| 35  | 4.5%  | 5.5%   |
| 40  | 2.6%  | 3.5%   |
| 45  | 1.3%  | 1.7%   |
| 50  | 0.3%  | 0.7%   |
| 55  | 0.0%  | 0.0%   |

#### Asset valuation method

The Actuarial Value of Assets is market value as of the valuation date, including discounted receivable contributions, reduced by 2/3 and 1/3 of the of the gain/(loss) in each of the prior 2 years, respectively. The gain/(loss) for each period is determined as the actual return on market value during the period less the expected return on market value based on an assumed earnings rate chosen by the actuary but required by PPA to be not greater than the applicable third segment rate. The resulting value is constrained to be within a corridor of 90% to 110% of Market Value, including discounted receivable contributions.

|                      | Actuary's Assumption | Third Segment Rate | Reflecting PPA Limit |
|----------------------|----------------------|--------------------|----------------------|
| 2015 Expected Return | 7.00%                | 6.81%              | 6.81%                |
| 2014 Expected Return | 8.00%                | 6.99%              | 6.99%                |
| 2013 Expected Return | 8.00%                | 6.76%              | 6.76%                |

#### Future actuarial measurements

Future actuarial measurements may differ significantly from current measurements due to plan experience differing from that anticipated by the economic and demographic assumptions, changes expected as part of the natural operation of the methodology used for these measurements, and changes in plan provisions, applicable law or regulations. An analysis of the potential range of such future differences is beyond the scope of this report.

#### Summary of Changes from the July 1, 2014 Valuation

The interest rates and mortality tables were updated to those applicable to the current year in accordance with PPA and HATFA. These changes increased the target liability by \$144,788.

## ***Appendix A: Actuarial Assumptions and Methods (continued)***

### **Non-Prescribed Funding Assumptions and Methods (continued)**

#### **Assumptions Rationale – Significant Non-Prescribed Assumptions**

##### **Withdrawal Rates**

The plan's experience is too small to form the basis of a reliable assumption; however, the assumption remains appropriate given historic gain and loss experience of the plan, as well as general expectations.

##### **Retirement Rates**

The retirement assumption is not significant since the early retirement benefits are reduced actuarially prior to age 65.

##### **Disability Rates**

The plan does not provide a disability benefit, thus a disability assumption is not appropriate. There are no disabled retirees under the plan. We do not have any experience to support changing our assumption at this time.

##### **Form of Payment**

50% of participants are assumed to elect single life annuities and 50% are assumed to elect lump sums, based on the experience that not all participants have elected lump sums.

##### **Percent Married**

The assumed percentage married is based on general population statistics on the marital status of individuals of retirement age.

##### **Spouse Age**

The assumed age difference for spouses is based on general population statistics of the age difference for married individuals of retirement age.

##### **Expected Return on Assets**

The actuary's expected rate of return is based on the plan's asset allocation provided by the plan's investment consultant and forward-looking expected rates of return by asset category provided by Buck's Capital Market Assumptions based on 2015 Q4.

MAGNODE CORPORATION PENSION PLAN  
 EIN: 31-0536201  
 June 30, 2016

Plan: 001

Schedule H, Line 4j - SCHEDULE OF REPORTABLE TRANSACTIONS

| (a)                                                                          | (b)                   | (c)            | (d)           | (e)          | (f)                               | (g)           | (h)                                        | (i)             |
|------------------------------------------------------------------------------|-----------------------|----------------|---------------|--------------|-----------------------------------|---------------|--------------------------------------------|-----------------|
| Identity of party involved                                                   | Description of asset  | Purchase price | Selling price | Lease rental | Expense incurred with transaction | Cost of asset | Current value of asset on transaction date | Net gain (loss) |
| <b>Category (i) - Single Transactions in Excess of 5% of Net Assets</b>      |                       |                |               |              |                                   |               |                                            |                 |
| Columbia Dividend Opportunity Fund                                           | Mutual Fund           | \$ -           | \$ 245,751    | \$ -         | \$ -                              | \$ 253,978    | \$ 245,751                                 | \$ (8,227)      |
| iShares MSCI USA Minimum Volatility ETF                                      | Mutual Fund           | 289,909        | -             | -            | -                                 | 289,909       | 289,909                                    | -               |
| MFS Growth I Fund                                                            | Mutual Fund           | -              | 269,448       | -            | -                                 | 257,376       | 269,448                                    | 12,072          |
| T Rowe Price Dividend Growth Fund                                            | Mutual Fund           | 517,630        | -             | -            | -                                 | 517,630       | 517,630                                    | -               |
| Vanguard 500 Index Fund CL ADM Fund                                          | Mutual Fund           | -              | 302,972       | -            | -                                 | 328,597       | 302,972                                    | (25,625)        |
| <b>Category (iii) - Series of Transactions in Excess of 5% of Net Assets</b> |                       |                |               |              |                                   |               |                                            |                 |
| iShares MSCI USA Minimum Volatility ETF                                      | Mutual Fund           | \$ 289,909     | \$ 146,699    | \$ -         | \$ -                              | \$ 436,608    | \$ 452,773                                 | \$ 16,165       |
| Northern Institutional Government Select Fund                                | Interest-Bearing Cash | 174,753        | 43,892        | -            | -                                 | 218,645       | 218,645                                    | -               |
| Northern Institutional Prime Obligations Fund                                | Interest-Bearing Cash | 639,247        | 721,785       | -            | -                                 | 1,361,032     | 1,361,032                                  | -               |
| T Rowe Price Dividend Growth Fund                                            | Mutual Fund           | 521,444        | 12,807        | -            | -                                 | 534,251       | 533,709                                    | (542)           |
| Vanguard 500 Index Fund CL ADM Fund                                          | Mutual Fund           | 25,597         | 354,340       | -            | -                                 | 379,937       | 354,436                                    | (25,501)        |

There were no reportable category (ii) or (iv) transactions for the year ended June 30, 2016.  
 Note: "Reportable Transactions" are defined in Section 2520.103-6 of the Department of Labor's Regulations.

|                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                    |                                                                                           |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| <b>SCHEDULE SB</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration<br/>Pension Benefit Guaranty Corporation</small> | <b>Single-Employer Defined Benefit Plan</b><br><b>Actuarial Information</b><br><br>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).<br><br><b>► File as an attachment to Form 5500 or 5500-SF.</b> | OMB No. 1210-0110<br><br><b>2015</b><br><br><b>This Form is Open to Public Inspection</b> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|

For calendar plan year 2015 or fiscal plan year beginning 07/01/2015 and ending 06/30/2016

► 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.

|                                                                                                 |                                                             |     |
|-------------------------------------------------------------------------------------------------|-------------------------------------------------------------|-----|
| <b>A</b> Name of plan<br>MAGNODE CORPORATION PENSION PLAN                                       | <b>B</b> Three-digit plan number (PN)                       | 001 |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF<br>MAGNODE CORPORATION | <b>D</b> Employer Identification Number (EIN)<br>31-0536201 |     |

|                                                                                                                                           |                                                                                                                                                         |
|-------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>E</b> Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B | <b>F</b> Prior year plan size: <input type="checkbox"/> 100 or fewer <input checked="" type="checkbox"/> 101-500 <input type="checkbox"/> More than 500 |
|-------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|

**Part I Basic Information**

|          |                                                                                                                                                                                                                 |                            |                           |
|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|---------------------------|
| <b>1</b> | Enter the valuation date: Month <u>07</u> Day <u>01</u> Year <u>2015</u>                                                                                                                                        |                            |                           |
| <b>2</b> | Assets:                                                                                                                                                                                                         |                            |                           |
|          | <b>a</b> Market value .....                                                                                                                                                                                     | <b>2a</b>                  | 3,849,235                 |
|          | <b>b</b> Actuarial value .....                                                                                                                                                                                  | <b>2b</b>                  | 3,909,675                 |
| <b>3</b> | Funding target/participant count breakdown                                                                                                                                                                      | (1) Number of participants | (2) Vested Funding Target |
|          | <b>a</b> For retired participants and beneficiaries receiving payment.....                                                                                                                                      | 15                         | 1,403,971                 |
|          | <b>b</b> For terminated vested participants.....                                                                                                                                                                | 36                         | 630,043                   |
|          | <b>c</b> For active participants.....                                                                                                                                                                           | 65                         | 2,667,499                 |
|          | <b>d</b> Total.....                                                                                                                                                                                             | 116                        | 4,701,513                 |
| <b>4</b> | If the plan is in at-risk status, check the box and complete lines (a) and (b) <input type="checkbox"/>                                                                                                         |                            |                           |
|          | <b>a</b> Funding target disregarding prescribed at-risk assumptions .....                                                                                                                                       | <b>4a</b>                  |                           |
|          | <b>b</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 ..... | <b>4b</b>                  |                           |
| <b>5</b> | Effective interest rate.....                                                                                                                                                                                    | <b>5</b>                   | 6.34%                     |
| <b>6</b> | Target normal cost.....                                                                                                                                                                                         | <b>6</b>                   | 11,000                    |

**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.

|                  |                                |                                        |
|------------------|--------------------------------|----------------------------------------|
| <b>SIGN HERE</b> |                                | <u>03/10/2017</u><br>Date              |
|                  | Signature of actuary           | Date                                   |
|                  | Audrey Cervas                  | 1406430                                |
|                  | Type or print name of actuary  | Most recent enrollment number          |
|                  | BUCK CONSULTANTS, LLC          | 216-642-2799                           |
|                  | Firm name                      | Telephone number (including area code) |
|                  | 6000 Freedom Square, Suite 100 |                                        |
|                  | Independence OH 44131          |                                        |
|                  | 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 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------------------|
| <b>7</b> Balance at beginning of prior year after applicable adjustments (line 13 from prior year).....                                                             | 0                     | 0                      |
| <b>8</b> Portion elected for use to offset prior year's funding requirement (line 35 from prior year) .....                                                         | 0                     | 0                      |
| <b>9</b> Amount remaining (line 7 minus line 8) .....                                                                                                               | 0                     | 0                      |
| <b>10</b> Interest on line 9 using prior year's actual return of <u>0.55%</u> .....                                                                                 | 0                     | 0                      |
| <b>11</b> Prior year's excess contributions to be added to prefunding balance:                                                                                      |                       |                        |
| <b>a</b> Present value of excess contributions (line 38a from prior year) .....                                                                                     |                       | 541                    |
| <b>b(1)</b> 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>6.55%</u> ..... |                       | 35                     |
| <b>b(2)</b> Interest on line 38b from prior year Schedule SB, using prior year's actual return .....                                                                |                       | 0                      |
| <b>c</b> Total available at beginning of current plan year to add to prefunding balance .....                                                                       |                       | 576                    |
| <b>d</b> Portion of (c) to be added to prefunding balance .....                                                                                                     |                       | 0                      |
| <b>12</b> Other reductions in balances due to elections or deemed elections .....                                                                                   | 0                     | 0                      |
| <b>13</b> Balance at beginning of current year (line 9 + line 10 + line 11d – line 12) .....                                                                        | 0                     | 0                      |

**Part III Funding Percentages**

|                                                                                                                                                                           |           |        |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|--------|
| <b>14</b> Funding target attainment percentage .....                                                                                                                      | <b>14</b> | 83.15% |
| <b>15</b> Adjusted funding target attainment percentage .....                                                                                                             | <b>15</b> | 83.15% |
| <b>16</b> Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement..... | <b>16</b> | 86.01% |
| <b>17</b> If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage. ....                                       | <b>17</b> | %      |

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

| (a) Date<br>(MM-DD-YYYY) | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees | (a) Date<br>(MM-DD-YYYY) | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees |
|--------------------------|-----------------------------------|---------------------------------|--------------------------|-----------------------------------|---------------------------------|
| 10/16/2015               | 26,392                            | 0                               |                          |                                   |                                 |
| 01/19/2016               | 26,392                            | 0                               |                          |                                   |                                 |
| 04/21/2016               | 26,392                            | 0                               |                          |                                   |                                 |
| 07/18/2016               | 26,392                            | 0                               |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
| <b>Totals ▶</b>          |                                   |                                 | <b>18(b)</b>             | 105,568                           | <b>18(c)</b> 0                  |

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

|                                                                                                                         |            |         |
|-------------------------------------------------------------------------------------------------------------------------|------------|---------|
| <b>a</b> Contributions allocated toward unpaid minimum required contributions from prior years.....                     | <b>19a</b> | 0       |
| <b>b</b> Contributions made to avoid restrictions adjusted to valuation date .....                                      | <b>19b</b> | 0       |
| <b>c</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date ..... | <b>19c</b> | 101,298 |

**20** Quarterly contributions and liquidity shortfalls:

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

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

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

| Liquidity shortfall as of end of quarter of this plan year |         |         |         |
|------------------------------------------------------------|---------|---------|---------|
| (1) 1st                                                    | (2) 2nd | (3) 3rd | (4) 4th |
| 0                                                          | 0       | 0       | 0       |

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

|                                                                                                                                                                                              |                       |                       |                       |                                                     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------------------------------------|
| <b>21</b> Discount rate:                                                                                                                                                                     |                       |                       |                       |                                                     |
| <b>a</b> Segment rates:                                                                                                                                                                      | 1st segment:<br>4.72% | 2nd segment:<br>6.11% | 3rd segment:<br>6.81% | <input type="checkbox"/> N/A, full yield curve used |
| <b>b</b> Applicable month (enter code) .....                                                                                                                                                 |                       |                       |                       | <b>21b</b> 4                                        |
| <b>22</b> Weighted average retirement age .....                                                                                                                                              |                       |                       |                       | <b>22</b> 65                                        |
| <b>23</b> Mortality table(s) (see instructions) <input checked="" type="checkbox"/> Prescribed - combined <input type="checkbox"/> Prescribed - separate <input type="checkbox"/> Substitute |                       |                       |                       |                                                     |

**Part VI Miscellaneous Items**

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

**Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years**

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

**Part VIII Minimum Required Contribution For Current Year**

|                                                                                                                                                                                      |                     |                    |               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------------|---------------|
| <b>31</b> Target normal cost and excess assets (see instructions):                                                                                                                   |                     |                    |               |
| <b>a</b> Target normal cost (line 6) .....                                                                                                                                           | <b>31a</b>          | 11,000             |               |
| <b>b</b> Excess assets, if applicable, but not greater than line 31a .....                                                                                                           | <b>31b</b>          | 0                  |               |
| <b>32</b> Amortization installments:                                                                                                                                                 | Outstanding Balance |                    | Installment   |
| <b>a</b> Net shortfall amortization installment .....                                                                                                                                | 791,838             |                    | 1,415         |
| <b>b</b> Waiver amortization installment .....                                                                                                                                       | 0                   |                    | 0             |
| <b>33</b> 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 ..... | <b>33</b>           |                    |               |
| <b>34</b> Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) .....                                                         | <b>34</b>           | 12,415             |               |
|                                                                                                                                                                                      | Carryover balance   | Prefunding balance | Total balance |
| <b>35</b> Balances elected for use to offset funding requirement .....                                                                                                               | 0                   | 0                  | 0             |
| <b>36</b> Additional cash requirement (line 34 minus line 35) .....                                                                                                                  | <b>36</b>           | 12,415             |               |
| <b>37</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) .....                                                  | <b>37</b>           | 101,298            |               |
| <b>38</b> Present value of excess contributions for current year (see instructions)                                                                                                  |                     |                    |               |
| <b>a</b> Total (excess, if any, of line 37 over line 36) .....                                                                                                                       | <b>38a</b>          | 88,883             |               |
| <b>b</b> Portion included in line 38a attributable to use of prefunding and funding standard carryover balances .....                                                                | <b>38b</b>          | 0                  |               |
| <b>39</b> Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) .....                                                                      | <b>39</b>           | 0                  |               |
| <b>40</b> Unpaid minimum required contributions for all years .....                                                                                                                  | <b>40</b>           | 0                  |               |

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

|                                                                                                |                                                                                                                                               |   |  |
|------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|---|--|
| <b>41</b> If an election was made to use PRA 2010 funding relief for this plan:                |                                                                                                                                               |   |  |
| <b>a</b> Schedule elected .....                                                                | <input type="checkbox"/> 2 plus 7 years <input checked="" type="checkbox"/> 15 years                                                          |   |  |
| <b>b</b> Eligible plan year(s) for which the election in line 41a was made .....               | <input type="checkbox"/> 2008 <input type="checkbox"/> 2009 <input checked="" type="checkbox"/> 2010 <input checked="" type="checkbox"/> 2011 |   |  |
| <b>42</b> Amount of acceleration adjustment .....                                              | <b>42</b>                                                                                                                                     | 0 |  |
| <b>43</b> Excess installment acceleration amount to be carried over to future plan years ..... | <b>43</b>                                                                                                                                     | 0 |  |

**MAGNODE CORPORATION PENSION PLAN**

**EIN/PN: 31-0536201/001**

**PLAN YEAR: JULY 1, 2015 TO JUNE 30, 2016**

**SCHEDULE SB, LINE 22 – DESCRIPTION OF WEIGHTED AVERAGE RETIREMENT AGE**

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It is assumed that participants will retire upon becoming eligible for normal retirement (age 65) or current age if later.

MAGNODE CORPORATION PENSION PLAN

EIN/PN: 31-0536201/001

PLAN YEAR: JULY 1, 2015 TO JUNE 30, 2016

SCHEDULE SB, LINE 19 – DISCOUNTED EMPLOYER CONTRIBUTIONS

---

| <u>Date</u>                                                                                     | <u>Amount</u>  | <u>Plan<br/>Year</u> | Days Discounted at<br><u>Effective Rate of 6.34%</u> | Days Discounted at<br><u>Penalty Rate of 11.34%</u> | <u>Discounted Value</u> |
|-------------------------------------------------------------------------------------------------|----------------|----------------------|------------------------------------------------------|-----------------------------------------------------|-------------------------|
| <b>Line 19c - Contributions Allocated Toward Minimum Required Contribution for Current Year</b> |                |                      |                                                      |                                                     |                         |
| 10/16/2015                                                                                      | 2,794          | 2015                 | 106                                                  | 1                                                   | 2,744                   |
| 10/16/2015                                                                                      | 23,598         | 2015                 | 107                                                  | 0                                                   | 23,178                  |
| 1/19/2016                                                                                       | 26,392         | 2015                 | 202                                                  | 0                                                   | 25,512                  |
| 4/21/2016                                                                                       | 26,392         | 2015                 | 295                                                  | 0                                                   | 25,116                  |
| 7/18/2016                                                                                       | 26,392         | 2015                 | 383                                                  | 0                                                   | 24,748                  |
| <b>Total</b>                                                                                    | <b>105,568</b> |                      |                                                      |                                                     | <b>101,298</b>          |

**MAGNODE CORPORATION PENSION PLAN**

**EIN/PN: 31-0536201/001**

**PLAN YEAR: JULY 1, 2015 TO JUNE 30, 2016**

**SCHEDULE SB — STATEMENT BY ENROLLED ACTUARY**

---

**Enrolled Actuary:** Audrey Cervas

**Enrollment Number** 14-06430

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

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

**MAGNODE CORPORATION PENSION PLAN**

**EIN/PN: 31-0536201/001**

**PLAN YEAR: JULY 1, 2015 TO JUNE 30, 2016**

**SCHEDULE SB, PART V — SUMMARY OF PLAN PROVISIONS**

**Effective Date:** Latest Restatement: June 30, 2005.

**Plan Year:** The 12 month period ending June 30th.

**Participation Requirements:** An Employee shall become a Participant on the Entry Date nearest completion of one year of Continuous Service, measured from his date of hire, provided he has attained age 21. *No new participants after May 31, 2009.*

**Entry Date:** July 1st.

**Normal Retirement Date:** The later of a Participant's 65th birthday, or the 5th anniversary of plan participation.

**Monthly Retirement Income:**

- (a) 0.7% of Monthly Plan Compensation multiplied by years of Credited Service (maximum 40) plus 0.65% of Monthly Plan Compensation in excess of Social Security Covered Compensation multiplied by years of Credited Service (maximum 35), plus
- (b) For any non-highly compensated employee, 1% of Monthly Plan Compensation as of June 30, 1994 multiplied by years of service between July 1, 1989 and June 30, 1994.

*Accrued benefits frozen as of May 31, 2009.*

**Normal Form of Benefit:** Monthly income commencing on a Participant's retirement date and payable for life.

**Automatic Form of Benefit (for married participants):** Actuarially equivalent reduced Joint and 50% to Surviving Spouse if married at commencement of benefits, unless other election is made.

**Monthly Plan Compensation:** Highest average of Gross Monthly Earnings during five consecutive calendar years. Gross Earnings means compensation including bonuses, overtime payments, commissions and extra compensation paid during a calendar year.

**Credited Service:** The total period of time employed by the Employer measured from date of hire.

**Accrued Benefit:** The Monthly Retirement Income at Normal Retirement Date, based on Monthly Plan Compensation Credited Service at the date of computation. *Benefit accruals were frozen as of May 31, 2009.*

**Vesting:** A percentage of accrued benefits:

| <u>Years of Vesting Service</u> | <u>Vesting Percentage</u> |
|---------------------------------|---------------------------|
| Less than 5                     | 0%                        |
| 5 or more                       | 100%                      |

*All active participants as of May 31, 2009 are 100% vested in their accrued benefits.*

## Appendix B: Summary of Plan Provisions (continued)

**Deferred Retirement Benefit:** Monthly income equal to the greater of the:

- (a) Participant's Accrued Benefit at actual retirement, or
- (b) Actuarial equivalent of the actuarial reserve of the Monthly Retirement Benefits to which he or she was entitled as of the later of his Normal Retirement Date or the close of the prior plan year plus interest compounded annually.

**Eligibility for Early Retirement:** Age 55 and 5 years vesting service.

**Early Retirement Benefit:** Accrued benefit payable at age 65, reduced actuarially for each month that payments begin early.

**Eligibility for Preretirement Death Benefit:** All vested participants.

**Preretirement Death Benefit:** A Participant's spouse shall receive 50% of the monthly benefit the deceased would have received under the Joint and 50% Survivor Annuity as of the date of his death, with this benefit commencing on the earliest date the deceased could have retired.

### ***Summary of Changes from the July 1, 2014 Valuation***

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None.

Schedule H, Line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

| (a) | (b)<br>Identity of issue, borrower,<br>lessor, or similar party | (c)<br>Description of investment including<br>maturity date, rate of interest,<br>collateral, par or maturity value | (d)<br>Cost         | (e)<br>Current<br>value |
|-----|-----------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|---------------------|-------------------------|
|     | <b>Interest-Bearing Cash</b>                                    |                                                                                                                     |                     |                         |
|     | Northern Institutional Government Select Fund                   | 130,861 shares                                                                                                      | \$ 130,861          | \$ 130,861              |
|     | <b>Mutual Funds</b>                                             |                                                                                                                     |                     |                         |
|     | Baird Core Plus Bond Inst Fund                                  | 32,719 shares                                                                                                       | 360,850             | 371,686                 |
|     | Blackrock Multi-Asset Income Fund                               | 12,252 shares                                                                                                       | 135,131             | 129,382                 |
|     | BlackRock Strategic Inc Opportunities I Fund                    | 16,504 shares                                                                                                       | 166,250             | 160,414                 |
|     | Brown Advisory Small-Cap Fundamental Value I Fund               | 3,738 shares                                                                                                        | 84,506              | 85,034                  |
|     | Credit Suisse Comm Ret Strategy Instl Fund                      | 9,364 shares                                                                                                        | 54,822              | 47,942                  |
|     | Dreyfus International Bond I Fund                               | 6,228 shares                                                                                                        | 97,734              | 98,520                  |
|     | Fidelity New Markets Income Fund                                | 5,768 shares                                                                                                        | 87,540              | 91,131                  |
|     | Goldman Sachs Small/Mid Cap Growth Fund                         | 4,127 shares                                                                                                        | 94,835              | 82,909                  |
|     | iShares MSCI EAFE Index Tr Fund                                 | 6,926 shares                                                                                                        | 439,045             | 386,609                 |
|     | iShares MSCI USA Minimum Volatility ETF                         | 3,613 shares                                                                                                        | 143,210             | 166,957                 |
|     | iShares Russell 2000 Index Fund                                 | 506 shares                                                                                                          | 63,130              | 58,180                  |
|     | Metropolitan West T/R Bond-I Fund                               | 33,618 shares                                                                                                       | 363,656             | 369,458                 |
|     | Oppenheimer Developing Market - I Fund                          | 6,344 shares                                                                                                        | 214,749             | 197,604                 |
|     | Ridgeworth SEIX Floating - I Fund                               | 10,192 shares                                                                                                       | 88,799              | 86,631                  |
|     | Robeco Boston Prtns Long/Short Research Instl Fund              | 10,006 shares                                                                                                       | 155,001             | 147,487                 |
|     | T Rowe Price Dividend Growth Fund                               | 13,825 shares                                                                                                       | 508,650             | 504,049                 |
|     | Vanguard REIT Index ETF                                         | 2,066 shares                                                                                                        | 153,714             | 183,192                 |
|     | Vanguard Value ETF                                              | 1,892 shares                                                                                                        | 158,266             | 160,801                 |
|     | Vanguard 500 Index Fund CL ADM Fund                             | 1,498 shares                                                                                                        | 283,183             | 290,084                 |
|     |                                                                 |                                                                                                                     | 3,653,071           | 3,618,070               |
|     |                                                                 |                                                                                                                     | <u>\$ 3,783,932</u> | <u>\$ 3,748,931</u>     |

**MAGNODE CORPORATION PENSION PLAN****EIN/PN: 31-0536201/001****PLAN YEAR: JULY 1, 2015 TO JUNE 30, 2016****SCHEDULE SB, LINE 32 — SCHEDULE OF AMORTIZATION BASES****Shortfall Amortization Summary**

| Date Established | Type Of Base | Years Remaining | Shortfall Amortization Installment | Present Value of Remaining Installments as of July 1, 2015 |
|------------------|--------------|-----------------|------------------------------------|------------------------------------------------------------|
| July 1, 2009     | Shortfall    | 1               | \$ (36,922)                        | \$ (36,922)                                                |
| July 1, 2010     | Shortfall    | 10              | 95,243                             | 750,704                                                    |
| July 1, 2011     | Shortfall    | 11              | 51,084                             | 430,874                                                    |
| July 1, 2012     | Shortfall    | 4               | (137,013)                          | (512,100)                                                  |
| July 1, 2013     | Shortfall    | 5               | 12,121                             | 55,382                                                     |
| July 1, 2014     | Shortfall    | 6               | (3,237)                            | (17,197)                                                   |
| July 1, 2015     | Shortfall    | 7               | <u>20,139</u>                      | <u>121,097</u>                                             |
| Total            |              |                 | \$ 1,415                           | \$ 791,838                                                 |

An election has been made under PRA 2010 to use the alternative 15-year amortization period for the bases established in 2010 and 2011.