

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2015 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2015 or fiscal plan year beginning <u>06/28/2015</u> and ending <u>06/27/2016</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or ☒ a single-employer plan; ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☒
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information
1a Name of plan <u>THE HOOVER, INC. RETIREMENT PLAN FOR CERTAIN UNION EMPLOYEES</u>	1b Three-digit plan number (PN) ▶ <u>020</u>
	1c Effective date of plan <u>06/28/2007</u>
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>ROYAL APPLIANCE MFG. CO.</u> <u>7005 COCHRAN ROAD</u> <u>GLENWILLOW, OH 44139</u>	2b Employer Identification Number (EIN) <u>34-1350353</u> 2c Plan Sponsor's telephone number <u>440-996-2000</u> 2d Business code (see instructions) <u>335200</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>04/17/2017</u>	<u>WILLIAM BONK</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>04/17/2017</u>	<u>WILLIAM BONK</u>
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number)			Preparer's telephone number

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

Form 5500 (2015)
v. 150123

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 507
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits..... d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits..... f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 0 6a(2) 0 6b 278 6c 195 6d 473 6e 8 6f 481 6g 6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1A 1C 1I b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ <u>0</u> A (Insurance Information) (4) ☐ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

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

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

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

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

Receipt Confirmation Code _____

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2015 This Form is Open to Public Inspection
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For calendar plan year 2015 or fiscal plan year beginning 06/28/2015 and ending 06/27/2016

▶ Round off amounts to nearest dollar.
▶ Caution: A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan THE HOOVER, INC. RETIREMENT PLAN FOR CERTAIN UNION EMPLOYEES	B Three-digit plan number (PN) ▶ 020
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF ROYAL APPLIANCE MFG. CO.	D Employer Identification Number (EIN) 34-1350353

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

Part I Basic Information

1 Enter the valuation date: Month 06 Day 28 Year 2015			
2 Assets:			
a Market value	2a	8957469	
b Actuarial value	2b	8957469	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	257	13101532	13101532
b For terminated vested participants	250	1262825	1262825
c For active participants	0	0	0
d Total	507	14364357	14364357
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)	☒		
a Funding target disregarding prescribed at-risk assumptions	4a	13470632	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b	14364357	
5 Effective interest rate	5	6.20%	
6 Target normal cost	6		

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

SIGN HERE		04/13/2017
Signature of actuary		Date
JEFFREY A. SCHAPEL, EA, MAAA, MSPA		14-07786
Type or print name of actuary		Most recent enrollment number
CBIZ BENEFITS & INSURANCE, INC.		
Firm name		Telephone number (including area code)
6050 OAK TREE BLVD, SUITE 500 CLEVELAND, 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 ☐

Part II Beginning of Year Carryover and Prefunding Balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of <u>0.09</u> %	0	0
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38a from prior year)		39401
b(1)	Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.40</u> %.....		2522
b(2)	Interest on line 38b from prior year Schedule SB, using prior year's actual return		
c	Total available at beginning of current plan year to add to prefunding balance.....		41923
d	Portion of (c) to be added to prefunding balance		
12	Other reductions in balances due to elections or deemed elections		
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12).....	0	0

Part III	Funding Percentages
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14	Funding target attainment percentage.....	14	66.49 %
15	Adjusted funding target attainment percentage	15	66.15 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	74.85 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	62.35 %

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

(a) Date (MM-DD-YYYY)		(b) Amount paid by employer(s)		(c) Amount paid by employees	
03/04/2016		1000000			
				Totals ►	18(b)
				1000000	18(c)
					0

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

a Contributions allocated toward unpaid minimum required contributions from prior years.....	19a	0
b Contributions made to avoid restrictions adjusted to valuation date.....	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	955094

20 Quarterly contributions and liquidity shortfalls:

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

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

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

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

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

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

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a		
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	5406888	857702	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...	34	857702	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....			0
36 Additional cash requirement (line 34 minus line 35)	36	857702	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	955094	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	97392	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years.....	40	0	

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

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

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2015 This Form is Open to Public Inspection
For calendar plan year 2015 or fiscal plan year beginning <u>06/28/2015</u> and ending <u>06/27/2016</u>		
A Name of plan <u>THE HOOVER, INC. RETIREMENT PLAN FOR CERTAIN UNION EMPLOYEES</u>	B Three-digit plan number (PN) ►	020
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ROYAL APPLIANCE MFG. CO.</u>	D Employer Identification Number (EIN) <u>34-1350353</u>	

	Part I	Asset and Liability Statement
1	Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.	
	Assets	(a) Beginning of Year (b) End of Year
a	Total noninterest-bearing cash	1a
b	Receivables (less allowance for doubtful accounts):	
(1)	Employer contributions	1b(1)
(2)	Participant contributions	1b(2)
(3)	Other	1b(3)
c	General investments:	
(1)	Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)
(2)	U.S. Government securities	1c(2)
(3)	Corporate debt instruments (other than employer securities):	
(A)	Preferred	1c(3)(A)
(B)	All other	1c(3)(B)
(4)	Corporate stocks (other than employer securities):	
(A)	Preferred	1c(4)(A)
(B)	Common	1c(4)(B)
(5)	Partnership/joint venture interests	1c(5)
(6)	Real estate (other than employer real property)	1c(6)
(7)	Loans (other than to participants)	1c(7)
(8)	Participant loans	1c(8)
(9)	Value of interest in common/collective trusts	1c(9)
(10)	Value of interest in pooled separate accounts	1c(10)
(11)	Value of interest in master trust investment accounts	1c(11)
(12)	Value of interest in 103-12 investment entities	1c(12)
(13)	Value of interest in registered investment companies (e.g., mutual funds)	1c(13)
(14)	Value of funds held in insurance company general account (unallocated contracts)	1c(14)
(15)	Other	1c(15)

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	9061470	8211040

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	9061470	8211040
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Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	1000000	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		1000000
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	6132	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		6132
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		1006132

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1850562	
(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)		1850562
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	6000	
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		6000
j Total expenses. Add all expense amounts in column (b) and enter total	2j		1856562

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-850430
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: DELOITTE & TOUCHE LLP

(2) EIN: 13-3891517

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

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

Part IV Compliance Questions

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

During the plan year:

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

	Yes	No	N/A	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X		
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X		
e Was this plan covered by a fidelity bond?	X			10000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X		
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X		
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X		
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X			
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	X			
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X		
l Has the plan failed to provide any benefit when due under the plan?		X		
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)				
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.				
o Did the plan trust incur unrelated business taxable income?				
p Were in-service distributions made during the plan year?				

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

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

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

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

Part V Trust Information

6a Name of trust	6b Trust's EIN
6c Name of trustee or custodian	6d Trustee's or custodian's telephone number

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2015 This Form is Open to Public Inspection.
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For calendar plan year 2015 or fiscal plan year beginning 06/28/2015 and ending 06/27/2016

A Name of plan <u>THE HOOVER, INC. RETIREMENT PLAN FOR CERTAIN UNION EMPLOYEES</u>	B Three-digit plan number (PN) ▶ <u>020</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ROYAL APPLIANCE MFG. CO.</u>	D Employer Identification Number (EIN) <u>34-1350353</u>

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): _____ Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	<u>25</u>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☐ No	☒ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes	☐ No	☒ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.	☐ Increase	☐ Decrease	☐ Both	☒ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

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

Part VI	Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans
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18	If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐
19	If the total number of participants is 1,000 or more, complete lines (a) through (c)
	a Enter the percentage of plan assets held as: Stock: <u>0.0</u> % Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%
	b Provide the average duration of the combined investment-grade and high-yield debt: ☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more
	c What duration measure was used to calculate line 19(b)? ☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

Part VII	IRS Compliance Questions
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20a Is the plan a 401(k) plan?	☐ Yes	☐ No
20b If "Yes," how does the 401(k) plan satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under sections 401(k)(3) and 401(m)(2)?	☐ Design-based safe harbor method	☐ ADP/ACP test
20c If the ADP/ACP test is used, did the 401(k) plan perform ADP/ACP testing for the plan year using the "current year testing method" for nonhighly compensated employees (Treas. Reg sections 1.401(k)-2(a)(2)(ii) and 1.401(m)-2(a)(2)(ii))?	☐ Yes	☐ No
21a Check the box to indicate the method used by the plan to satisfy the coverage requirements under section 410(b):	☐ Ratio percentage test	☐ Average benefit test
21b Does the plan satisfy the coverage and nondiscrimination tests of sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules?	☐ Yes	☐ No
22a Has the plan been timely amended for all required tax law changes?	☐ Yes	☐ No ☐ N/A
22b Date the last plan amendment/restatement for the required tax law changes was adopted ____/____/____. Enter the applicable code _____. (See instructions for tax law changes and codes).		
22c If the plan sponsor is an adopter of a pre-approved master and prototype (M&P) or volume submitter plan that is subject to a favorable IRS opinion or advisory letter, enter the date of that favorable letter ____/____/____ and the letter's serial number _____.		
22d If the plan is an individually-designed plan and received a favorable determination letter from the IRS, enter the date of the plan's last favorable determination letter ____/____/____.		
23 Is the Plan maintained in a U.S. territory (i.e., Puerto Rico (if no election under ERISA section 1022(i)(2) has been made), American Samoa, Guam, the Commonwealth of the Northern Mariana Islands or the U.S. Virgin Islands)?	☐ Yes	☐ No

The Hoover, Inc. Retirement Plan for Certain Union Employees

Employer ID No: 34-1350353
Plan Number: 020

Financial Statements as of and for the Years Ended
June 27, 2016 and 2015, Supplemental Schedules
as of and for the Year Ended June 27, 2016, and
Independent Auditors' Report

THE HOOVER, INC. RETIREMENT PLAN FOR CERTAIN UNION EMPLOYEES

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Form 5500, Schedule H, Part IV, Line 4j—Schedule of Reportable Transactions for the Year Ended June 27, 2016	13
NOTE: All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.	



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INDEPENDENT AUDITORS' REPORT

The Hoover, Inc. Retirement Plan for
Certain Union Employees
Glenwillow, OH

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of The Hoover, Inc. Retirement Plan for Certain Union Employees (the "Plan") which comprise the statements of net assets available for benefits as of June 27, 2016 and 2015, and the related statements of changes in net assets available for benefits for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (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 7, which was certified by FirstMerit Bank, N.A., the trustee of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained certifications from the trustee as of June 27, 2016 and 2015, and for the years then ended, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

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

Other Matter

The supplemental schedules listed in the Table of Contents are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on these supplemental schedules.

Report on Form and Content in Compliance with Department of Labor Rules and Regulations

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

The image shows a handwritten signature in black ink that reads "Deloitte & Touche LLP". The signature is written in a cursive, flowing style.

April 7, 2017

THE HOOVER, INC. RETIREMENT PLAN FOR CERTAIN UNION EMPLOYEES

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS AS OF JUNE 27, 2016 AND 2015

	2016	2015
ASSETS:		
Employer contribution receivable	\$ -	\$2,500,000
Investments—money market funds—at fair value	<u>8,211,040</u>	<u>6,561,470</u>
Total assets	<u>8,211,040</u>	<u>9,061,470</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$8,211,040</u>	<u>\$9,061,470</u>

See notes to financial statements.

THE HOOVER, INC. RETIREMENT PLAN FOR CERTAIN UNION EMPLOYEES

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS FOR THE YEARS ENDED JUNE 27, 2016 AND 2015

	2016	2015
ADDITIONS:		
Employer contribution	\$ 1,000,000	\$ 2,500,000
Investment income—interest	<u>6,132</u>	<u>752</u>
Total additions	<u>1,006,132</u>	<u>2,500,752</u>
DEDUCTIONS:		
Benefits paid to participants	(1,850,562)	(1,737,071)
Administrative expenses	<u>(6,000)</u>	<u>(6,000)</u>
Total deductions	<u>(1,856,562)</u>	<u>(1,743,071)</u>
NET (DECREASE) INCREASE	(850,430)	757,681
NET ASSETS AVAILABLE FOR BENEFITS:		
Beginning of year	<u>9,061,470</u>	<u>8,303,789</u>
End of year	<u>\$ 8,211,040</u>	<u>\$ 9,061,470</u>

See notes to financial statements.

THE HOOVER, INC. RETIREMENT PLAN FOR CERTAIN UNION EMPLOYEES

NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED JUNE 27, 2016 AND 2015

1. DESCRIPTION OF THE PLAN

The following description of The Hoover, Inc. Retirement Plan for Certain Union Employees (the “Plan”) is provided for general information purposes only. Participants should refer to the Plan document for a more complete description of the Plan’s information.

General—The Plan is a defined benefit pension plan covering certain union employees of Hoover, Inc. (the “Company”). Royal Appliance Mfg. Co. (“Royal”), a wholly owned subsidiary of Techtronic Industries, Co. Ltd., acquired certain assets of the Hoover business effective January 31, 2007, from Whirlpool Corporation. In connection with the acquisition, Royal assumed all rights and responsibilities of the Company, including the administration of certain retirement plans. The Plan was created on June 28, 2007, to provide retirement benefits to qualifying union employees of the Company, many of whom previously accrued retirement benefits under another Company plan, which were frozen upon the formation of the Plan. Participants of the Plan were credited for past service with the Company prior to the formation of the Plan. All participants were immediately 100% vested in their accrued retirement benefits. Royal controls and manages the operation and administration of the Plan. FirstMerit Bank, N.A. serves as the trustee. An investment manager manages the Plan’s investments. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Pension Benefits—Pension benefits are provided to participants under several types of retirement options, a cash balance formula, or a traditional benefit formula, based upon years of continuous service and age. Retirement benefits are paid to pensioners or beneficiaries in the forms of joint and survivor annuities, including a lump-sum payment option.

On June 30, 2008, the Plan was amended to freeze participants’ Plan benefits. Participants no longer accrue benefits for service and no new employees are eligible to participate in the Plan. Only years of service and compensation earned prior to June 30, 2008, are considered in the determination of retirement benefits.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting—The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP).

Use of Estimates—The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits and changes therein at the date of the financial statements. Actual results could differ from those estimates.

Risks and Uncertainties—The Plan utilizes limited investment instruments, including money market funds. Investment securities, in general, are exposed to various risks, such as interest rate risk, credit risk, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

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 estimation and assumption process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

Investment Valuation and Income Recognition—Investments are stated at fair value. Fair value of a financial instrument is the amount 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. If available, quoted market prices are used to value investments. Money market funds are valued at net asset value (NAV) derived from the quoted market prices of the fund.

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.

Expenses—Administrative expenses of the Plan can be paid out of Plan assets or by the Plan Sponsor, at the discretion of the Plan Sponsor. The Plan sponsor provides accounting and other administrative services to the Plan at no charge.

Payment of Benefits—Benefit payments to participants are recorded upon distribution.

New Accounting Standards

In July 2015, 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 eliminates the requirement to measure the fair value of fully benefit-responsive investment contracts and provide certain disclosures. Contract value is the only required measure for fully benefit-responsive investment contracts. Part II eliminates the requirements to disclose individual investments that represent 5 percent or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. Part II also simplifies the level of disaggregation of investments that are measured using fair value. Plans will continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate investments by nature, characteristics and risks. Further, the disclosure of information about fair value measurements shall be provided by general type of plan asset. Part III is not applicable to the Plan. ASU 2015-12 is effective for fiscal years beginning after December 15, 2015, with early adoption permitted. Parts I and II are to be applied retrospectively. The Plan has elected to not early adopt ASU 2015-12 as of June 27, 2016.

3. FUNDING POLICY

Contributions to provide benefits under the Plan are made solely by the Company. The Company's funding policy is to make cash contributions to the Plan in amounts as determined by the Plan's independent actuary. The Company met the minimum funding requirements of ERISA for the years ended June 27, 2016 and 2015.

The Pension Protection Act of 2006 (PPA) as amended by the Worker, Retiree and Employer Recovery Act of 2008 (WRERA) imposes certain benefit restrictions for qualified defined benefit plans that do not meet certain funding thresholds. The "At-Risk" status is referred to as the Funding Target Attainment Percentage (FTAP). A plan's funded percentage is referred to as the Adjusted Funding Target Attainment Percentage (AFTAP). The 2016 AFTAP for the Plan is 50.4%. The AFTAP is less than

80%, therefore, benefit restrictions may become effective for the Plan in 2017. The restrictions also mean that plan amendments which would increase liabilities could be prohibited. Additional contributions of approximately \$1.8 million have been estimated to be required during 2017. The AFTAP will be re-assessed in early 2017 to determine if these restrictions will continue to apply.

4. ACCUMULATED PLAN BENEFITS

Accumulated plan benefits are those future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions to services rendered by employees as of the valuation date. Accumulated plan benefits include benefits expected to be paid to (1) retired or terminated employees or their beneficiaries, (2) beneficiaries of employees who have died, and (3) present employees or their beneficiaries. The actuarial present value of accumulated plan benefits is determined by an independent actuary. The amount results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements, such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

The actuarial present value of accumulated plan benefits as of June 27, 2016 and 2015, are as follows:

	2016	2015
Vested benefits:		
Participants and/or beneficiaries currently receiving benefits	\$ 14,372,252	\$ 11,846,985
Other participants	<u>920,393</u>	<u>1,020,447</u>
Total actuarial present value of accumulated plan benefits	<u>\$ 15,292,645</u>	<u>\$ 12,867,432</u>

The changes in the actuarial present value of the Plan's accumulated plan benefits for the years ended June 27, 2016 and 2015, are as follows:

	2016	2015
Actuarial present value of accumulated plan benefits—beginning of year	\$ 12,867,432	\$ 11,302,269
Increase (decrease) during the year attributable to:		
Actuarial loss	3,112,792	2,058,330
Interest due to the decrease in the discount period	715,155	646,705
Change in actuarial assumptions	453,828	603,199
Benefits paid	<u>(1,856,562)</u>	<u>(1,743,071)</u>
Actuarial present value of accumulated plan benefits—end of year	<u>\$ 15,292,645</u>	<u>\$ 12,867,432</u>

The amounts above related to the change in actuarial assumptions are due to a change in the discount rate and a change in the mortality tables, as described below. Actuarial losses are due to new retirees who became eligible for early retirement and the temporary early retirement supplement.

The significant actuarial assumptions used in the June 27, 2016 and 2015, valuations were as follows:

- Mortality: RP-2016 & 2015 Static Mortality Tables
- Interest discount assumption: 2016—5.99%, 2015—6.20%
- Expected retirement age: 65 years

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 might be applicable in determining the actuarial present value of accumulated plan benefits.

5. FAIR VALUE MEASUREMENTS

ASC 820, *Fair Value Measurements and Disclosures*, provides 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, as follows: Level 1, which refers to securities valued using unadjusted quoted prices from active markets for identical assets; Level 2, which refers to securities not traded on an active market but for which observable market inputs are readily available; and Level 3, which refers to securities valued based on significant unobservable inputs. Assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

The Plan's policy is to recognize significant transfers between levels at the actual date of the event or change in circumstances that caused the transfer.

A summary of the Plan's investments set forth by level within the fair value hierarchy measured at fair value on a recurring basis at June 27, 2016 and 2015, is as follows:

Fair Value Measurements at June 27, 2016				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Money market fund	<u>\$ 8,211,040</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,211,040</u>
Total	<u>\$ 8,211,040</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,211,040</u>

Fair Value Measurements at June 27, 2015				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Money market fund	<u>\$ 6,561,470</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,561,470</u>
Total	<u>\$ 6,561,470</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,561,470</u>

6. INVESTMENTS

The Plan's investments, which represented 5% or more of net assets available for benefits as of June 27, 2016 and 2015, are as follows:

	2016	2015
Federated Investors—Prime Obligations Fund (SS)	<u>\$ 8,211,040</u>	<u>\$ 6,561,470</u>

There was no appreciation or depreciation of the Plan's investments (including gains and losses on investments bought and sold, as well as held) during the years ended June 27, 2016 and 2015.

7. INFORMATION CERTIFIED BY THE TRUSTEE

The following is a summary of the unaudited information regarding the Plan's investments as of and for the years ended June 27, 2016 and 2015, included in the Plan's financial statements and supplemental schedules, that was prepared by or derived from information prepared by FirstMerit Bank, N.A., the trustee of the Plan, and furnished to the Plan administrator. The Plan administrator has obtained certifications from the trustee that such information is complete and accurate.

	2016	2015
Statements of net assets available for benefits—investments—money market funds—at fair value	\$ 8,211,040	\$ 6,561,470
Statements of changes in net assets available for benefits—investment income—interest	6,132	752

Note 5 except for the level information.

Notes 6 and supplemental schedules: All investment balances and investment information.

8. FEDERAL INCOME TAX STATUS

The Internal Revenue Service (IRS) has determined and informed the Company by a letter dated April 25, 2014, that the Plan and related trust were designed in accordance with the applicable regulations of the Internal Revenue Code (IRC). The Company and Plan management believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC, and the Plan and related trust continue to be tax exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS or Department of Labor. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2012.

9. PLAN TERMINATION

Although it has not expressed any intention to do so, the Company has the right under the Plan, in certain circumstances, to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA. In the event that the Plan is terminated, the net assets of the Plan will be allocated for payment of plan benefits to the participants in an order of priority determined in accordance with ERISA, applicable regulations thereunder, and the Plan document.

Certain benefits under the Plan are insured by the Pension Benefit Guaranty Corporation (PBGC) if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination, subject to a statutory ceiling on the amount of an individual's monthly benefit.

Whether all participants receive their benefits should the Plan be terminated at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide those benefits, the priority of those benefits to be paid, and the level and type of benefits guaranteed by the PBGC at that time. Some benefits may be fully or partially provided for by the then-existing assets and the PBGC guaranty, while other benefits may not be provided for at all.

10. SUBSEQUENT EVENTS

Subsequent events were evaluated through April 7, 2017, the date the financial statements were available to be issued.

* * * * *

SUPPLEMENTAL SCHEDULES

THE HOOVER, INC. RETIREMENT PLAN FOR CERTAIN UNION EMPLOYEES

Employer ID No: 34-1350353
Plan No: 020

FORM 5500, SCHEDULE H, PART IV, LINE 4i—SCHEDULE OF ASSETS (HELD AT END OF YEAR)
AS OF JUNE 27, 2016

(a) Identity of Issuer, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, and Par or Maturity Value	(d) Cost	(e) Current Value
Money market funds—Federated Investors	Prime Obligations Fund (SS)	\$ 8,211,040	\$ 8,211,040
Total investments held		\$ 8,211,040	\$ 8,211,040

See independent auditor's report.

THE HOOVER, INC. RETIREMENT PLAN FOR CERTAIN UNION EMPLOYEES

Employer ID No: 34-1350353
Plan No: 020

FORM 5500, SCHEDULE H, PART IV, LINE 4j—SCHEDULE OF REPORTABLE TRANSACTIONS FOR THE YEAR ENDED JUNE 27, 2016

(a) Identity of Party Involved	(b) Description of Asset (Include Interest Rate and Maturity in Case of a Loan)	(c) Purchase Price	(d) Selling Price	(e) Lease Rental	Number of Transactions	(f) Expense Incurred with Transaction*	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain or Loss
Series in Same Security									
Federated Investors	Prime Obligations Fund (SS)	\$3,506,280	\$ -	\$ -	15	None	\$3,506,280	\$3,506,280	N/A
Federated Investors	Prime Obligations Fund (SS)	-	1,856,710	-	28	None	1,856,710	1,856,710	\$ -

* The commissions and fees related to purchases and sales of investments, if any, are included in the cost of the investment or the proceeds from the sale and are not separately reported by the Trustee.

See independent auditor's report.

**Schedule SB, line 26 –
Schedule of Active Participant Data**

There are no active participants in the plan.

**Schedule SB, Part V –
Statement of Actuarial Assumptions/Methods**

This plan was valued under the Projected Unit Credit cost method known using the following assumptions:

1. Interest Rate

HATFA Segmented Rates:

PPA Segmented Rates:

4.72% 1st Segment Rate
6.11% 2nd Segment Rate
6.81% 3rd Segment Rate

1.25% 1st Segment Rate
4.08% 2nd Segment Rate
5.15% 3rd Segment Rate

2. Mortality rates

2015 Static Mortality table was utilized with the following summary of rates (pre-/post-commencement):

AGE	<u>Pre-</u>		<u>Post-</u>	
	Male	Female	Male	Female
25	.03%	.01%	.03%	.01%
35	.07%	.03%	.07%	.03%
45	.10%	.07%	.16%	.07%
55	.17%	.20%	.39%	.30%
65	.50%	.50%	.98%	.93%

3. Asset Valuation Method

Market value of assets including receivable contributions.

4. Expenses

None.

5. Expected Retirement

Normal Retirement Age

**Schedule SB, line 4 –
Additional Information for Plans in At-Risk Status**

The optional form used for at-risk costing for traditional plan participants is the straight life annuity. For cash balance participants, the value of their cash balance as of the valuation date is used to value at-risk liabilities.

**Schedule SB, line 32 –
Schedule of Amortization Bases**

Type of Base	Date Established	Balance at 6/28/2015	Payment	Years Remaining at 6/28/2015
Shortfall	6/28/2015	3,844,084	\$639,283	7
Shortfall	6/28/2014	\$695,121	\$130,846	6
Shortfall	6/28/2013	\$763,284	\$167,052	5
Shortfall	6/28/2012	(\$261,088)	(\$69,854)	4
Shortfall	6/28/2011	\$555,818	\$193,880	3
Shortfall	6/28/2010	\$26,969	\$13,795	2
Shortfall	6/28/2009	(\$217,300)	(\$217,300)	1
Total		5,406,888	857,702	

**Schedule SB, line 32 –
Schedule of Amortization Bases**

Type of Base	Date Established	Balance at 6/28/2015	Payment	Years Remaining at 6/28/2015
Shortfall	6/28/2015	3,844,084	\$639,283	7
Shortfall	6/28/2014	\$695,121	\$130,846	6
Shortfall	6/28/2013	\$763,284	\$167,052	5
Shortfall	6/28/2012	(\$261,088)	(\$69,854)	4
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Shortfall	6/28/2009	(\$217,300)	(\$217,300)	1
Total		5,406,888	857,702	

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2015 This Form is Open to Public Inspection
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For calendar plan year 2015 or fiscal plan year beginning 06/28/2015 and ending 06/27/2016

- **Round off amounts to nearest dollar.**
 ► **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan THE HOOVER, INC. RETIREMENT PLAN FOR CERTAIN UNION EMPLOYEES	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">B Three-digit plan number (PN) ►</td> <td style="width: 40%; text-align: center;">020</td> </tr> </table>	B Three-digit plan number (PN) ►	020
B Three-digit plan number (PN) ►	020		
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF ROYAL APPLIANCE MFG. CO.	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>D Employer Identification Number (EIN) 34-1350353</td> </tr> </table>	D Employer Identification Number (EIN) 34-1350353	
D Employer Identification Number (EIN) 34-1350353			
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B			
F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500			

Part I Basic Information			
1 Enter the valuation date: Month <u>06</u> Day <u>28</u> Year <u>2015</u>			
2 Assets:			
a Market value	2a	8,957,469	
b Actuarial value	2b	8,957,469	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	257	13,101,532	13,101,532
b For terminated vested participants	250	1,262,825	1,262,825
c For active participants	0	0	0
d Total	507	14,364,357	14,364,357
4 If the plan is in at-risk status, check the box and complete lines (a) and (b) ☒			
a Funding target disregarding prescribed at-risk assumptions	4a	13,470,632	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b	14,364,357	
5 Effective interest rate	5	6.20%	
6 Target normal cost	6		

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

SIGN HERE	 Signature of actuary Jeffrey A. Schapel, EA, MAAA, MSPA Type or print name of actuary	<u>4/13/2017</u> Date 1707786 Most recent enrollment number
CBIZ BENEFITS & INSURANCE, INC. Firm name		Telephone number (including area code)
6050 OAK TREE BLVD, SUITE 500 CLEVELAND 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**

Schedule SB, Part V – Summary of Plan Provisions

Normal Retirement Eligibility	Age 65 with 5 years of service																																			
Normal Retirement Benefit	Monthly benefit payable a straight life annuity in an amount equal to \$42 per year of service up to 25 years of service plus \$50 per year of service in excess of 25 years of service Offset by the pension benefit accrued as of February 1, 2007 (before the purchase)																																			
Early Retirement Eligibility	Age 55 with 10 years of service Rule of 85 Window open until June 28, 2008																																			
Early Retirement Benefit	Monthly benefit payable a straight life annuity in an amount equal to \$42 per year of service up to 25 years of service plus \$50 per year of service in excess of 25 years of service potentially reduced for commencement prior to age 65 Reduction factors for employees retiring with less than 30 years of Service <table><tr><td>Age</td><td></td></tr><tr><td>55</td><td>64.0%</td></tr><tr><td>56</td><td>71.2%</td></tr><tr><td>57</td><td>78.4%</td></tr><tr><td>58</td><td>85.6%</td></tr><tr><td>59</td><td>92.8%</td></tr><tr><td>60+</td><td>100.0%</td></tr></table> Reduction factors for employees retiring with at least 30 years of Service <table><tr><td>Age</td><td>30 years of service</td><td></td></tr><tr><td>55</td><td>82.0%</td><td>+ 1.8% for each year over 30</td></tr><tr><td>56</td><td>85.6%</td><td>+ 1.44% for each year over 30</td></tr><tr><td>57</td><td>89.2%</td><td>+ 1.08% for each year over 30</td></tr><tr><td>58</td><td>92.8%</td><td>+ 0.72% for each year over 30</td></tr><tr><td>59</td><td>96.4%</td><td>+ 0.36% for each year over 30</td></tr><tr><td>60+</td><td>100.0%</td><td></td></tr></table>	Age		55	64.0%	56	71.2%	57	78.4%	58	85.6%	59	92.8%	60+	100.0%	Age	30 years of service		55	82.0%	+ 1.8% for each year over 30	56	85.6%	+ 1.44% for each year over 30	57	89.2%	+ 1.08% for each year over 30	58	92.8%	+ 0.72% for each year over 30	59	96.4%	+ 0.36% for each year over 30	60+	100.0%	
Age																																				
55	64.0%																																			
56	71.2%																																			
57	78.4%																																			
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58	92.8%	+ 0.72% for each year over 30																																		
59	96.4%	+ 0.36% for each year over 30																																		
60+	100.0%																																			
Early Retirement Supplement	monthly supplement of \$30 per year of service Payable until the earliest age Social Security is payable Offset by the pension benefit accrued as of February 1, 2007 (before the purchase)																																			
Deferred Vested Eligibility	5 years of service																																			

**Schedule SB, Part V –
Summary of Plan Provisions**

Deferred Vested Benefit Monthly benefit payable a straight life annuity at age 65 in an amount equal to \$42 per year of service up to 25 years of service plus \$50 per year of service in excess of 25 years of service

Offset by the pension benefit accrued as of February 1, 2007 (before the purchase)

Early commencement of Deferred Vested Benefit If a participant has at least 10 years of service at the date of termination the benefit may commence prior to age 65

Age	Reduction
55	37.14%
56	40.64%
57	44.54%
58	48.91%
59	53.80%
60	59.31%
61	65.52%
62	72.54%
63	80.52%
64	89.61%

Survivor Benefit Eligibility 5 years of service

Survivor Benefit 50% of the amount that would have been paid if Participant's began commencing payment at the earliest retirement age and electing the 50% J&S form of payment and died the following day.
The amount is payable as long as spouse is alive

Offset by the pension benefit accrued as of February 1, 2007 (before the purchase)

**Schedule SB, line 22 –
Description of Weighted Average Retirement Age**

The assumed retirement age for all participants is age 65.

The Hoover, Inc. Retirement Plan for Certain Union Employees

Employer ID No: 34-1350353
Plan Number: 020

Financial Statements as of and for the Years Ended
June 27, 2016 and 2015, Supplemental Schedules
as of and for the Year Ended June 27, 2016, and
Independent Auditors' Report

THE HOOVER, INC. RETIREMENT PLAN FOR CERTAIN UNION EMPLOYEES

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NOTE: All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.	



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INDEPENDENT AUDITORS' REPORT

The Hoover, Inc. Retirement Plan for
Certain Union Employees
Glenwillow, OH

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of The Hoover, Inc. Retirement Plan for Certain Union Employees (the "Plan") which comprise the statements of net assets available for benefits as of June 27, 2016 and 2015, and the related statements of changes in net assets available for benefits for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (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 7, which was certified by FirstMerit Bank, N.A., the trustee of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained certifications from the trustee as of June 27, 2016 and 2015, and for the years then ended, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

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

Other Matter

The supplemental schedules listed in the Table of Contents are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on these supplemental schedules.

Report on Form and Content in Compliance with Department of Labor Rules and Regulations

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

The image shows a handwritten signature in black ink that reads "Deloitte & Touche LLP". The signature is written in a cursive, flowing style.

April 7, 2017

THE HOOVER, INC. RETIREMENT PLAN FOR CERTAIN UNION EMPLOYEES

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS AS OF JUNE 27, 2016 AND 2015

	2016	2015
ASSETS:		
Employer contribution receivable	\$ -	\$2,500,000
Investments—money market funds—at fair value	<u>8,211,040</u>	<u>6,561,470</u>
Total assets	<u>8,211,040</u>	<u>9,061,470</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$8,211,040</u>	<u>\$9,061,470</u>

See notes to financial statements.

THE HOOVER, INC. RETIREMENT PLAN FOR CERTAIN UNION EMPLOYEES

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS FOR THE YEARS ENDED JUNE 27, 2016 AND 2015

	2016	2015
ADDITIONS:		
Employer contribution	\$ 1,000,000	\$ 2,500,000
Investment income—interest	<u>6,132</u>	<u>752</u>
Total additions	<u>1,006,132</u>	<u>2,500,752</u>
DEDUCTIONS:		
Benefits paid to participants	(1,850,562)	(1,737,071)
Administrative expenses	<u>(6,000)</u>	<u>(6,000)</u>
Total deductions	<u>(1,856,562)</u>	<u>(1,743,071)</u>
NET (DECREASE) INCREASE	(850,430)	757,681
NET ASSETS AVAILABLE FOR BENEFITS:		
Beginning of year	<u>9,061,470</u>	<u>8,303,789</u>
End of year	<u>\$ 8,211,040</u>	<u>\$ 9,061,470</u>

See notes to financial statements.

THE HOOVER, INC. RETIREMENT PLAN FOR CERTAIN UNION EMPLOYEES

NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED JUNE 27, 2016 AND 2015

1. DESCRIPTION OF THE PLAN

The following description of The Hoover, Inc. Retirement Plan for Certain Union Employees (the “Plan”) is provided for general information purposes only. Participants should refer to the Plan document for a more complete description of the Plan’s information.

General—The Plan is a defined benefit pension plan covering certain union employees of Hoover, Inc. (the “Company”). Royal Appliance Mfg. Co. (“Royal”), a wholly owned subsidiary of Techtronic Industries, Co. Ltd., acquired certain assets of the Hoover business effective January 31, 2007, from Whirlpool Corporation. In connection with the acquisition, Royal assumed all rights and responsibilities of the Company, including the administration of certain retirement plans. The Plan was created on June 28, 2007, to provide retirement benefits to qualifying union employees of the Company, many of whom previously accrued retirement benefits under another Company plan, which were frozen upon the formation of the Plan. Participants of the Plan were credited for past service with the Company prior to the formation of the Plan. All participants were immediately 100% vested in their accrued retirement benefits. Royal controls and manages the operation and administration of the Plan. FirstMerit Bank, N.A. serves as the trustee. An investment manager manages the Plan’s investments. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Pension Benefits—Pension benefits are provided to participants under several types of retirement options, a cash balance formula, or a traditional benefit formula, based upon years of continuous service and age. Retirement benefits are paid to pensioners or beneficiaries in the forms of joint and survivor annuities, including a lump-sum payment option.

On June 30, 2008, the Plan was amended to freeze participants’ Plan benefits. Participants no longer accrue benefits for service and no new employees are eligible to participate in the Plan. Only years of service and compensation earned prior to June 30, 2008, are considered in the determination of retirement benefits.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting—The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP).

Use of Estimates—The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits and changes therein at the date of the financial statements. Actual results could differ from those estimates.

Risks and Uncertainties—The Plan utilizes limited investment instruments, including money market funds. Investment securities, in general, are exposed to various risks, such as interest rate risk, credit risk, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

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 estimation and assumption process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

Investment Valuation and Income Recognition—Investments are stated at fair value. Fair value of a financial instrument is the amount 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. If available, quoted market prices are used to value investments. Money market funds are valued at net asset value (NAV) derived from the quoted market prices of the fund.

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.

Expenses—Administrative expenses of the Plan can be paid out of Plan assets or by the Plan Sponsor, at the discretion of the Plan Sponsor. The Plan sponsor provides accounting and other administrative services to the Plan at no charge.

Payment of Benefits—Benefit payments to participants are recorded upon distribution.

New Accounting Standards

In July 2015, 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 eliminates the requirement to measure the fair value of fully benefit-responsive investment contracts and provide certain disclosures. Contract value is the only required measure for fully benefit-responsive investment contracts. Part II eliminates the requirements to disclose individual investments that represent 5 percent or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. Part II also simplifies the level of disaggregation of investments that are measured using fair value. Plans will continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate investments by nature, characteristics and risks. Further, the disclosure of information about fair value measurements shall be provided by general type of plan asset. Part III is not applicable to the Plan. ASU 2015-12 is effective for fiscal years beginning after December 15, 2015, with early adoption permitted. Parts I and II are to be applied retrospectively. The Plan has elected to not early adopt ASU 2015-12 as of June 27, 2016.

3. FUNDING POLICY

Contributions to provide benefits under the Plan are made solely by the Company. The Company's funding policy is to make cash contributions to the Plan in amounts as determined by the Plan's independent actuary. The Company met the minimum funding requirements of ERISA for the years ended June 27, 2016 and 2015.

The Pension Protection Act of 2006 (PPA) as amended by the Worker, Retiree and Employer Recovery Act of 2008 (WRERA) imposes certain benefit restrictions for qualified defined benefit plans that do not meet certain funding thresholds. The "At-Risk" status is referred to as the Funding Target Attainment Percentage (FTAP). A plan's funded percentage is referred to as the Adjusted Funding Target Attainment Percentage (AFTAP). The 2016 AFTAP for the Plan is 50.4%. The AFTAP is less than

80%, therefore, benefit restrictions may become effective for the Plan in 2017. The restrictions also mean that plan amendments which would increase liabilities could be prohibited. Additional contributions of approximately \$1.8 million have been estimated to be required during 2017. The AFTAP will be re-assessed in early 2017 to determine if these restrictions will continue to apply.

4. ACCUMULATED PLAN BENEFITS

Accumulated plan benefits are those future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions to services rendered by employees as of the valuation date. Accumulated plan benefits include benefits expected to be paid to (1) retired or terminated employees or their beneficiaries, (2) beneficiaries of employees who have died, and (3) present employees or their beneficiaries. The actuarial present value of accumulated plan benefits is determined by an independent actuary. The amount results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements, such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

The actuarial present value of accumulated plan benefits as of June 27, 2016 and 2015, are as follows:

	2016	2015
Vested benefits:		
Participants and/or beneficiaries currently receiving benefits	\$ 14,372,252	\$ 11,846,985
Other participants	<u>920,393</u>	<u>1,020,447</u>
Total actuarial present value of accumulated plan benefits	<u>\$ 15,292,645</u>	<u>\$ 12,867,432</u>

The changes in the actuarial present value of the Plan's accumulated plan benefits for the years ended June 27, 2016 and 2015, are as follows:

	2016	2015
Actuarial present value of accumulated plan benefits—beginning of year	\$ 12,867,432	\$ 11,302,269
Increase (decrease) during the year attributable to:		
Actuarial loss	3,112,792	2,058,330
Interest due to the decrease in the discount period	715,155	646,705
Change in actuarial assumptions	453,828	603,199
Benefits paid	<u>(1,856,562)</u>	<u>(1,743,071)</u>
Actuarial present value of accumulated plan benefits—end of year	<u>\$ 15,292,645</u>	<u>\$ 12,867,432</u>

The amounts above related to the change in actuarial assumptions are due to a change in the discount rate and a change in the mortality tables, as described below. Actuarial losses are due to new retirees who became eligible for early retirement and the temporary early retirement supplement.

The significant actuarial assumptions used in the June 27, 2016 and 2015, valuations were as follows:

- Mortality: RP-2016 & 2015 Static Mortality Tables
- Interest discount assumption: 2016—5.99%, 2015—6.20%
- Expected retirement age: 65 years

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 might be applicable in determining the actuarial present value of accumulated plan benefits.

5. FAIR VALUE MEASUREMENTS

ASC 820, *Fair Value Measurements and Disclosures*, provides 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, as follows: Level 1, which refers to securities valued using unadjusted quoted prices from active markets for identical assets; Level 2, which refers to securities not traded on an active market but for which observable market inputs are readily available; and Level 3, which refers to securities valued based on significant unobservable inputs. Assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

The Plan's policy is to recognize significant transfers between levels at the actual date of the event or change in circumstances that caused the transfer.

A summary of the Plan's investments set forth by level within the fair value hierarchy measured at fair value on a recurring basis at June 27, 2016 and 2015, is as follows:

Fair Value Measurements at June 27, 2016				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Money market fund	<u>\$ 8,211,040</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,211,040</u>
Total	<u>\$ 8,211,040</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,211,040</u>

Fair Value Measurements at June 27, 2015				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Money market fund	<u>\$ 6,561,470</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,561,470</u>
Total	<u>\$ 6,561,470</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,561,470</u>

6. INVESTMENTS

The Plan's investments, which represented 5% or more of net assets available for benefits as of June 27, 2016 and 2015, are as follows:

	2016	2015
Federated Investors—Prime Obligations Fund (SS)	<u>\$ 8,211,040</u>	<u>\$ 6,561,470</u>

There was no appreciation or depreciation of the Plan's investments (including gains and losses on investments bought and sold, as well as held) during the years ended June 27, 2016 and 2015.

7. INFORMATION CERTIFIED BY THE TRUSTEE

The following is a summary of the unaudited information regarding the Plan's investments as of and for the years ended June 27, 2016 and 2015, included in the Plan's financial statements and supplemental schedules, that was prepared by or derived from information prepared by FirstMerit Bank, N.A., the trustee of the Plan, and furnished to the Plan administrator. The Plan administrator has obtained certifications from the trustee that such information is complete and accurate.

	2016	2015
Statements of net assets available for benefits—investments—money market funds—at fair value	\$ 8,211,040	\$ 6,561,470
Statements of changes in net assets available for benefits—investment income—interest	6,132	752

Note 5 except for the level information.

Notes 6 and supplemental schedules: All investment balances and investment information.

8. FEDERAL INCOME TAX STATUS

The Internal Revenue Service (IRS) has determined and informed the Company by a letter dated April 25, 2014, that the Plan and related trust were designed in accordance with the applicable regulations of the Internal Revenue Code (IRC). The Company and Plan management believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC, and the Plan and related trust continue to be tax exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS or Department of Labor. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2012.

9. PLAN TERMINATION

Although it has not expressed any intention to do so, the Company has the right under the Plan, in certain circumstances, to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA. In the event that the Plan is terminated, the net assets of the Plan will be allocated for payment of plan benefits to the participants in an order of priority determined in accordance with ERISA, applicable regulations thereunder, and the Plan document.

Certain benefits under the Plan are insured by the Pension Benefit Guaranty Corporation (PBGC) if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination, subject to a statutory ceiling on the amount of an individual's monthly benefit.

Whether all participants receive their benefits should the Plan be terminated at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide those benefits, the priority of those benefits to be paid, and the level and type of benefits guaranteed by the PBGC at that time. Some benefits may be fully or partially provided for by the then-existing assets and the PBGC guaranty, while other benefits may not be provided for at all.

10. SUBSEQUENT EVENTS

Subsequent events were evaluated through April 7, 2017, the date the financial statements were available to be issued.

* * * * *

SUPPLEMENTAL SCHEDULES

THE HOOVER, INC. RETIREMENT PLAN FOR CERTAIN UNION EMPLOYEES

Employer ID No: 34-1350353
Plan No: 020

FORM 5500, SCHEDULE H, PART IV, LINE 4i—SCHEDULE OF ASSETS (HELD AT END OF YEAR)
AS OF JUNE 27, 2016

(a) (b) Identity of Issuer, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, and Par or Maturity Value	(d) Cost	(e) Current Value
Money market funds—Federated Investors	Prime Obligations Fund (SS)	\$ 8,211,040	\$ 8,211,040
Total investments held		\$ 8,211,040	\$ 8,211,040

See independent auditor's report.

THE HOOVER, INC. RETIREMENT PLAN FOR CERTAIN UNION EMPLOYEES

Employer ID No: 34-1350353
Plan No: 020

FORM 5500, SCHEDULE H, PART IV, LINE 4j—SCHEDULE OF REPORTABLE TRANSACTIONS FOR THE YEAR ENDED JUNE 27, 2016

(a) Identity of Party Involved	(b) Description of Asset (Include Interest Rate and Maturity in Case of a Loan)	(c) Purchase Price	(d) Selling Price	(e) Lease Rental	Number of Transactions	(f) Expense Incurred with Transaction*	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain or Loss
Series in Same Security									
Federated Investors	Prime Obligations Fund (SS)	\$3,506,280	\$ -	\$ -	15	None	\$3,506,280	\$3,506,280	N/A
Federated Investors	Prime Obligations Fund (SS)	-	1,856,710	-	28	None	1,856,710	1,856,710	\$ -

* The commissions and fees related to purchases and sales of investments, if any, are included in the cost of the investment or the proceeds from the sale and are not separately reported by the Trustee.

See independent auditor's report.

The Hoover, Inc. Retirement Plan for Certain Union Employees

Employer ID No: 34-1350353
Plan Number: 020

Financial Statements as of and for the Years Ended
June 27, 2016 and 2015, Supplemental Schedules
as of and for the Year Ended June 27, 2016, and
Independent Auditors' Report

THE HOOVER, INC. RETIREMENT PLAN FOR CERTAIN UNION EMPLOYEES

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NOTE: All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.	



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INDEPENDENT AUDITORS' REPORT

The Hoover, Inc. Retirement Plan for
Certain Union Employees
Glenwillow, OH

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of The Hoover, Inc. Retirement Plan for Certain Union Employees (the "Plan") which comprise the statements of net assets available for benefits as of June 27, 2016 and 2015, and the related statements of changes in net assets available for benefits for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (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 7, which was certified by FirstMerit Bank, N.A., the trustee of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained certifications from the trustee as of June 27, 2016 and 2015, and for the years then ended, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

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

Other Matter

The supplemental schedules listed in the Table of Contents are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on these supplemental schedules.

Report on Form and Content in Compliance with Department of Labor Rules and Regulations

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

The image shows a handwritten signature in black ink that reads "Deloitte & Touche LLP". The signature is written in a cursive, flowing style.

April 7, 2017

THE HOOVER, INC. RETIREMENT PLAN FOR CERTAIN UNION EMPLOYEES

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS AS OF JUNE 27, 2016 AND 2015

	2016	2015
ASSETS:		
Employer contribution receivable	\$ -	\$2,500,000
Investments—money market funds—at fair value	<u>8,211,040</u>	<u>6,561,470</u>
Total assets	<u>8,211,040</u>	<u>9,061,470</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$8,211,040</u>	<u>\$9,061,470</u>

See notes to financial statements.

THE HOOVER, INC. RETIREMENT PLAN FOR CERTAIN UNION EMPLOYEES

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS FOR THE YEARS ENDED JUNE 27, 2016 AND 2015

	2016	2015
ADDITIONS:		
Employer contribution	\$ 1,000,000	\$ 2,500,000
Investment income—interest	<u>6,132</u>	<u>752</u>
Total additions	<u>1,006,132</u>	<u>2,500,752</u>
DEDUCTIONS:		
Benefits paid to participants	(1,850,562)	(1,737,071)
Administrative expenses	<u>(6,000)</u>	<u>(6,000)</u>
Total deductions	<u>(1,856,562)</u>	<u>(1,743,071)</u>
NET (DECREASE) INCREASE	(850,430)	757,681
NET ASSETS AVAILABLE FOR BENEFITS:		
Beginning of year	<u>9,061,470</u>	<u>8,303,789</u>
End of year	<u>\$ 8,211,040</u>	<u>\$ 9,061,470</u>

See notes to financial statements.

THE HOOVER, INC. RETIREMENT PLAN FOR CERTAIN UNION EMPLOYEES

NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED JUNE 27, 2016 AND 2015

1. DESCRIPTION OF THE PLAN

The following description of The Hoover, Inc. Retirement Plan for Certain Union Employees (the “Plan”) is provided for general information purposes only. Participants should refer to the Plan document for a more complete description of the Plan’s information.

General—The Plan is a defined benefit pension plan covering certain union employees of Hoover, Inc. (the “Company”). Royal Appliance Mfg. Co. (“Royal”), a wholly owned subsidiary of Techtronic Industries, Co. Ltd., acquired certain assets of the Hoover business effective January 31, 2007, from Whirlpool Corporation. In connection with the acquisition, Royal assumed all rights and responsibilities of the Company, including the administration of certain retirement plans. The Plan was created on June 28, 2007, to provide retirement benefits to qualifying union employees of the Company, many of whom previously accrued retirement benefits under another Company plan, which were frozen upon the formation of the Plan. Participants of the Plan were credited for past service with the Company prior to the formation of the Plan. All participants were immediately 100% vested in their accrued retirement benefits. Royal controls and manages the operation and administration of the Plan. FirstMerit Bank, N.A. serves as the trustee. An investment manager manages the Plan’s investments. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Pension Benefits—Pension benefits are provided to participants under several types of retirement options, a cash balance formula, or a traditional benefit formula, based upon years of continuous service and age. Retirement benefits are paid to pensioners or beneficiaries in the forms of joint and survivor annuities, including a lump-sum payment option.

On June 30, 2008, the Plan was amended to freeze participants’ Plan benefits. Participants no longer accrue benefits for service and no new employees are eligible to participate in the Plan. Only years of service and compensation earned prior to June 30, 2008, are considered in the determination of retirement benefits.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting—The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP).

Use of Estimates—The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits and changes therein at the date of the financial statements. Actual results could differ from those estimates.

Risks and Uncertainties—The Plan utilizes limited investment instruments, including money market funds. Investment securities, in general, are exposed to various risks, such as interest rate risk, credit risk, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

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 estimation and assumption process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

Investment Valuation and Income Recognition—Investments are stated at fair value. Fair value of a financial instrument is the amount 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. If available, quoted market prices are used to value investments. Money market funds are valued at net asset value (NAV) derived from the quoted market prices of the fund.

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.

Expenses—Administrative expenses of the Plan can be paid out of Plan assets or by the Plan Sponsor, at the discretion of the Plan Sponsor. The Plan sponsor provides accounting and other administrative services to the Plan at no charge.

Payment of Benefits—Benefit payments to participants are recorded upon distribution.

New Accounting Standards

In July 2015, 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 eliminates the requirement to measure the fair value of fully benefit-responsive investment contracts and provide certain disclosures. Contract value is the only required measure for fully benefit-responsive investment contracts. Part II eliminates the requirements to disclose individual investments that represent 5 percent or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. Part II also simplifies the level of disaggregation of investments that are measured using fair value. Plans will continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate investments by nature, characteristics and risks. Further, the disclosure of information about fair value measurements shall be provided by general type of plan asset. Part III is not applicable to the Plan. ASU 2015-12 is effective for fiscal years beginning after December 15, 2015, with early adoption permitted. Parts I and II are to be applied retrospectively. The Plan has elected to not early adopt ASU 2015-12 as of June 27, 2016.

3. FUNDING POLICY

Contributions to provide benefits under the Plan are made solely by the Company. The Company's funding policy is to make cash contributions to the Plan in amounts as determined by the Plan's independent actuary. The Company met the minimum funding requirements of ERISA for the years ended June 27, 2016 and 2015.

The Pension Protection Act of 2006 (PPA) as amended by the Worker, Retiree and Employer Recovery Act of 2008 (WRERA) imposes certain benefit restrictions for qualified defined benefit plans that do not meet certain funding thresholds. The "At-Risk" status is referred to as the Funding Target Attainment Percentage (FTAP). A plan's funded percentage is referred to as the Adjusted Funding Target Attainment Percentage (AFTAP). The 2016 AFTAP for the Plan is 50.4%. The AFTAP is less than

80%, therefore, benefit restrictions may become effective for the Plan in 2017. The restrictions also mean that plan amendments which would increase liabilities could be prohibited. Additional contributions of approximately \$1.8 million have been estimated to be required during 2017. The AFTAP will be re-assessed in early 2017 to determine if these restrictions will continue to apply.

4. ACCUMULATED PLAN BENEFITS

Accumulated plan benefits are those future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions to services rendered by employees as of the valuation date. Accumulated plan benefits include benefits expected to be paid to (1) retired or terminated employees or their beneficiaries, (2) beneficiaries of employees who have died, and (3) present employees or their beneficiaries. The actuarial present value of accumulated plan benefits is determined by an independent actuary. The amount results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements, such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

The actuarial present value of accumulated plan benefits as of June 27, 2016 and 2015, are as follows:

	2016	2015
Vested benefits:		
Participants and/or beneficiaries currently receiving benefits	\$ 14,372,252	\$ 11,846,985
Other participants	<u>920,393</u>	<u>1,020,447</u>
Total actuarial present value of accumulated plan benefits	<u>\$ 15,292,645</u>	<u>\$ 12,867,432</u>

The changes in the actuarial present value of the Plan's accumulated plan benefits for the years ended June 27, 2016 and 2015, are as follows:

	2016	2015
Actuarial present value of accumulated plan benefits—beginning of year	\$ 12,867,432	\$ 11,302,269
Increase (decrease) during the year attributable to:		
Actuarial loss	3,112,792	2,058,330
Interest due to the decrease in the discount period	715,155	646,705
Change in actuarial assumptions	453,828	603,199
Benefits paid	<u>(1,856,562)</u>	<u>(1,743,071)</u>
Actuarial present value of accumulated plan benefits—end of year	<u>\$ 15,292,645</u>	<u>\$ 12,867,432</u>

The amounts above related to the change in actuarial assumptions are due to a change in the discount rate and a change in the mortality tables, as described below. Actuarial losses are due to new retirees who became eligible for early retirement and the temporary early retirement supplement.

The significant actuarial assumptions used in the June 27, 2016 and 2015, valuations were as follows:

- Mortality: RP-2016 & 2015 Static Mortality Tables
- Interest discount assumption: 2016—5.99%, 2015—6.20%
- Expected retirement age: 65 years

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 might be applicable in determining the actuarial present value of accumulated plan benefits.

5. FAIR VALUE MEASUREMENTS

ASC 820, *Fair Value Measurements and Disclosures*, provides 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, as follows: Level 1, which refers to securities valued using unadjusted quoted prices from active markets for identical assets; Level 2, which refers to securities not traded on an active market but for which observable market inputs are readily available; and Level 3, which refers to securities valued based on significant unobservable inputs. Assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

The Plan's policy is to recognize significant transfers between levels at the actual date of the event or change in circumstances that caused the transfer.

A summary of the Plan's investments set forth by level within the fair value hierarchy measured at fair value on a recurring basis at June 27, 2016 and 2015, is as follows:

Fair Value Measurements at June 27, 2016				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Money market fund	<u>\$ 8,211,040</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,211,040</u>
Total	<u>\$ 8,211,040</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,211,040</u>

Fair Value Measurements at June 27, 2015				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Money market fund	<u>\$ 6,561,470</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,561,470</u>
Total	<u>\$ 6,561,470</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,561,470</u>

6. INVESTMENTS

The Plan's investments, which represented 5% or more of net assets available for benefits as of June 27, 2016 and 2015, are as follows:

	2016	2015
Federated Investors—Prime Obligations Fund (SS)	<u>\$ 8,211,040</u>	<u>\$ 6,561,470</u>

There was no appreciation or depreciation of the Plan's investments (including gains and losses on investments bought and sold, as well as held) during the years ended June 27, 2016 and 2015.

7. INFORMATION CERTIFIED BY THE TRUSTEE

The following is a summary of the unaudited information regarding the Plan's investments as of and for the years ended June 27, 2016 and 2015, included in the Plan's financial statements and supplemental schedules, that was prepared by or derived from information prepared by FirstMerit Bank, N.A., the trustee of the Plan, and furnished to the Plan administrator. The Plan administrator has obtained certifications from the trustee that such information is complete and accurate.

	2016	2015
Statements of net assets available for benefits—investments—money market funds—at fair value	\$ 8,211,040	\$ 6,561,470
Statements of changes in net assets available for benefits—investment income—interest	6,132	752

Note 5 except for the level information.

Notes 6 and supplemental schedules: All investment balances and investment information.

8. FEDERAL INCOME TAX STATUS

The Internal Revenue Service (IRS) has determined and informed the Company by a letter dated April 25, 2014, that the Plan and related trust were designed in accordance with the applicable regulations of the Internal Revenue Code (IRC). The Company and Plan management believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC, and the Plan and related trust continue to be tax exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS or Department of Labor. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2012.

9. PLAN TERMINATION

Although it has not expressed any intention to do so, the Company has the right under the Plan, in certain circumstances, to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA. In the event that the Plan is terminated, the net assets of the Plan will be allocated for payment of plan benefits to the participants in an order of priority determined in accordance with ERISA, applicable regulations thereunder, and the Plan document.

Certain benefits under the Plan are insured by the Pension Benefit Guaranty Corporation (PBGC) if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination, subject to a statutory ceiling on the amount of an individual's monthly benefit.

Whether all participants receive their benefits should the Plan be terminated at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide those benefits, the priority of those benefits to be paid, and the level and type of benefits guaranteed by the PBGC at that time. Some benefits may be fully or partially provided for by the then-existing assets and the PBGC guaranty, while other benefits may not be provided for at all.

10. SUBSEQUENT EVENTS

Subsequent events were evaluated through April 7, 2017, the date the financial statements were available to be issued.

* * * * *

SUPPLEMENTAL SCHEDULES

THE HOOVER, INC. RETIREMENT PLAN FOR CERTAIN UNION EMPLOYEES

Employer ID No: 34-1350353
Plan No: 020

FORM 5500, SCHEDULE H, PART IV, LINE 4i—SCHEDULE OF ASSETS (HELD AT END OF YEAR)
AS OF JUNE 27, 2016

(a) Identity of Issuer, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, and Par or Maturity Value	(d) Cost	(e) Current Value
Money market funds—Federated Investors	Prime Obligations Fund (SS)	\$ 8,211,040	\$ 8,211,040
Total investments held		\$ 8,211,040	\$ 8,211,040

See independent auditor's report.

THE HOOVER, INC. RETIREMENT PLAN FOR CERTAIN UNION EMPLOYEES

Employer ID No: 34-1350353
Plan No: 020

FORM 5500, SCHEDULE H, PART IV, LINE 4j—SCHEDULE OF REPORTABLE TRANSACTIONS FOR THE YEAR ENDED JUNE 27, 2016

(a) Identity of Party Involved	(b) Description of Asset (Include Interest Rate and Maturity in Case of a Loan)	(c) Purchase Price	(d) Selling Price	(e) Lease Rental	Number of Transactions	(f) Expense Incurred with Transaction*	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain or Loss
Series in Same Security									
Federated Investors	Prime Obligations Fund (SS)	\$3,506,280	\$ -	\$ -	15	None	\$3,506,280	\$3,506,280	N/A
Federated Investors	Prime Obligations Fund (SS)	-	1,856,710	-	28	None	1,856,710	1,856,710	\$ -

The commissions and fees related to purchases and sales of investments, if any, are included in the cost of the investment or the proceeds from the sale and are not separately reported by the Trustee.

See independent auditor's report.