# Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

**2015**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

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

**A** This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

**B** This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [X] 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
LEGEND BANK EMPLOYEE STOCK OWNERSHIP AND 401(K) PLAN

**1b** Three-digit plan number (PN) ▶ 002

**1c** Effective date of plan 01/01/1986

**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)
LEGEND BANK

101 WEST TARRANT STREET
BOWIE, TX 76230

**2b** Employer Identification Number (EIN)
75-0150372

**2c** Plan Sponsor's telephone number
800-873-5604

**2d** Business code (see instructions)
522110

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

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

| | | | |
|---|---|---|---|
| **SIGN HERE** | Filed with authorized/valid electronic signature. | 05/05/2017 | TODD MCMURRAY |
| | **Signature of plan administrator** | Date | Enter name of individual signing as plan administrator |
| **SIGN HERE** | | | |
| | **Signature of employer/plan sponsor** | Date | Enter name of individual signing as employer or plan sponsor |
| **SIGN HERE** | | | |
| | **Signature of DFE** | Date | Enter name of individual signing as DFE |

Preparer's name (including firm name, if applicable) and address (include room or suite number)

Preparer's telephone number

| | | | |
|---|---|---|---|
| **3a** | Plan administrator's name and address [X] Same as Plan Sponsor | **3b** | Administrator's EIN |
| | | **3c** | Administrator's telephone number |
| **4** | If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: | **4b** | EIN |
| **a** | Sponsor's name | **4c** | PN |

| | | | |
|---|---|---|---|
| **5** | Total number of participants at the beginning of the plan year | **5** | 168 |
| **6** | Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**). | | |
| **a(1)** | Total number of active participants at the beginning of the plan year | **6a(1)** | 138 |
| **a(2)** | Total number of active participants at the end of the plan year | **6a(2)** | 134 |
| **b** | Retired or separated participants receiving benefits | **6b** | 0 |
| **c** | Other retired or separated participants entitled to future benefits | **6c** | 39 |
| **d** | Subtotal. Add lines **6a(2)**, **6b**, and **6c**. | **6d** | 173 |
| **e** | Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. | **6e** | 0 |
| **f** | Total. Add lines **6d** and **6e**. | **6f** | 173 |
| **g** | Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | 160 |
| **h** | Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 1 |
| **7** | Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | **7** | |

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
2E 2F 2H 2J 2K 2O 2Q 2T

**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) | | **9b** Plan benefit arrangement (check all that apply) | |
|---|---|---|---|
| **(1)** | [ ] Insurance | **(1)** | [ ] Insurance |
| **(2)** | [ ] Code section 412(e)(3) insurance contracts | **(2)** | [ ] Code section 412(e)(3) insurance contracts |
| **(3)** | [X] Trust | **(3)** | [X] Trust |
| **(4)** | [ ] General assets of the sponsor | **(4)** | [ ] General assets of the sponsor |

**10** Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

**a Pension Schedules**

- **(1)** [X] **R** (Retirement Plan Information)
- **(2)** [ ] **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- **(3)** [ ] **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

**b General Schedules**

- **(1)** [X] **H** (Financial Information)
- **(2)** [ ] **I** (Financial Information – Small Plan)
- **(3)** [ ] 0 **A** (Insurance Information)
- **(4)** [X] **C** (Service Provider Information)
- **(5)** [X] **D** (DFE/Participating Plan Information)
- **(6)** [ ] **G** (Financial Transaction Schedules)

**Part III** **Form M-1 Compliance Information (to be completed by welfare benefit plans)**

**11a** If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

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

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

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

Receipt Confirmation Code_____

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

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

**A** Name of plan
LEGEND BANK EMPLOYEE STOCK OWNERSHIP AND 401(K) PLAN

**B** Three-digit plan number (PN) ▶ 002

**C** Plan sponsor's name as shown on line 2a of Form 5500
LEGEND BANK

**D** Employer Identification Number (EIN)
75-0150372

## Part I Service Provider Information (see instructions)

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

### 1 Information on Persons Receiving Only Eligible Indirect Compensation

**a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

**b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

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

BENEFIT PLANS ADMIN SERVICES, INC.
6 RHOADS DRIVE
STE. 7
UTICA, NY 13502

16-1503696

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

T. ROWE PRICE ASSOCIATES
P.O. BOX 89000
BALTIMORE, MD 21202

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

COLUMBIA MANAGEMENT
ONE FINANCIAL CENTER, 3RD FLOOR
BOSTON, MA 02111

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

MFS INVESTMENT MGMT.
500 BOYLSTON ST.
21ST FLOOR
BOSTON, MA 02116

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

HARBOR FUNDS

111 S. WACKER DRIVE
34TH FLOOR
CHICAGO, IL 60606-4302

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

EMERALD MUTUAL FUNDS

P.O. BOX 8556
DENVER, CO 80201

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

DREYFUS INSTITUTIONAL SERVICES

210 UNIVERSITY BOULEVARD
SUITE 800
DENVER, CO 80206

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

JANUS INVESTMENT GROUP

151 DETROIT STREET
DENVER, CO 80206

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

OPPENHEIMER FUNDS

6803 SOUTH TUCSON WAY
ENGLEWOOD, CO 80112

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

AMERICAN FUNDS SERVICE COMPANY

333 SOUTH HOPE STREET
LOS ANGELES, CA 90071

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

PIMCO

1633 BROADWAY
NEW YORK, NY 10019

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

FIRST EAGLE FUNDS

1345 AVENUE OF THE AMERICA
NEW YORK, NY 10105-4300

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

THE BANCORP BANK

1818 MARKET STREET
28TH FLOOR
PHILADELPHIA, PA 19103

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

FEDERATED SERVICES COMPANY

1001 LIBERTY AVENUE
PITTSBURGH, PA 15222-3779

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

FRANKLIN TEMPLETON FUNDS

2000 ALAMEDA DE LAS PULGA
2ND FLOOR
SAN MATEO, CA 94402

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

EAGLE FAMILY OF FUNDS

P.O. BOX 33022
ST. PETERSBURG, FL 33733-8022

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

DELAWARE SERVICE CORP

2005 MARKET STREET
PHILADELPHIA, PA 19103

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

ALLIANZ GLOBAL INVESTORS DISTRIBUTO

1633 BROADWAY
NEW YORK, NE 10019

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

AMERICAN BEACON ADVISORS, INC.

4151 AMON CARTER BLVD.
MD 2450
FORT WORTH, TX 76155

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

WADDELL & REED

6300 LAMAR AVENUE
SHAWNEE MISSION, KS 66202

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

METROPOLITAN WEST

11766 WILSHIRE BOULEVARD
LOSANGELES, CA 90025

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

PRUDENTIAL FUND SERVICES

2101 WELSH ROAD
DRESHER, PA 19025

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

VANGUARD GROUP

100 VANGUARD BLVD.
MALVERN, PA 19355

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

STANDARD INSURANCE CO.

1100 SW 6TH AVE #711
PORTLAND, OR 97204

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

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

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

BENEFIT PLAN ADMIN SERVICES

6 RHOADS DRIVE, STE. 7
UTICA, NY 13502

16-1503696

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 17 27 51 19 38 52 25 50 64 | TPA | 58070 | Yes [X] No [ ] | Yes [X] No [ ] | 0 | Yes [ ] No [X] |

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

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

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

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

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

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

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

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

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

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

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

## Part I Service Provider Information (continued)

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

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

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

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

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

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

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

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

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

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

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

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

## Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

# SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

## DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

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

OMB No. 1210-0110

**2015**

**This Form is Open to Public Inspection.**

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

**A** Name of plan
LEGEND BANK EMPLOYEE STOCK OWNERSHIP AND 401(K) PLAN

**B** Three-digit plan number (PN) ▶ 002

**C** Plan or DFE sponsor's name as shown on line 2a of Form 5500
LEGEND BANK

**D** Employer Identification Number (EIN)
75-0150372

**Part I** **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

**a** Name of MTIA, CCT, PSA, or 103-12 IE: FEDERATED CAPITAL PRESERVATION FUND

**b** Name of sponsor of entity listed in (a): FEDERATED INVESTORS, INC.

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| 22-2712853-001 | C | 301546 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| | | |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| | | |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| | | |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| | | |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| | | |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

## Part II Information on Participating Plans (to be completed by DFEs)

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

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

# SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Financial Information

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

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

OMB No. 1210-0110

**2015**

**This Form is Open to Public Inspection**

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

**A** Name of plan
LEGEND BANK EMPLOYEE STOCK OWNERSHIP AND 401(K) PLAN

**B** Three-digit plan number (PN) ▶ 002

**C** Plan sponsor's name as shown on line 2a of Form 5500
LEGEND BANK

**D** Employer Identification Number (EIN)
75-0150372

## 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) | 16351 | 13006 |
| **(2)** Participant contributions | 1b(2) | 18496 | 17350 |
| **(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) | 338379 | 374153 |
| **(9)** Value of interest in common/collective trusts | 1c(9) | 206354 | 697816 |
| **(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) | 5883554 | 5487753 |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | | |
| **(15)** Other | 1c(15) | | |

| | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **1d** Employer-related investments: | | | |
| **(1)** Employer securities | 1d(1) | 9835180 | 10835753 |
| **(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 | 16298314 | 17425831 |
| **Liabilities** | | | |
| **g** Benefit claims payable | 1g | | |
| **h** Operating payables | 1h | | |
| **i** Acquisition indebtedness | 1i | | |
| **j** Other liabilities | 1j | | |
| **k** Total liabilities (add all amounts in lines 1g through1j) | 1k | 0 | 0 |
| **Net Assets** | | | |
| **l** Net assets (subtract line 1k from line 1f) | 1l | 16298314 | 17425831 |

## 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) | 360110 | |
| **(B)** Participants | 2a(1)(B) | 482365 | |
| **(C)** Others (including rollovers) | 2a(1)(C) | 34665 | |
| **(2)** Noncash contributions | 2a(2) | | |
| **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 877140 |
| **b Earnings on investments:** | | | |
| **(1)** Interest: | | | |
| **(A)** Interest-bearing cash (including money market accounts and certificates of deposit) | 2b(1)(A) | | |
| **(B)** U.S. Government securities | 2b(1)(B) | | |
| **(C)** Corporate debt instruments | 2b(1)(C) | | |
| **(D)** Loans (other than to participants) | 2b(1)(D) | | |
| **(E)** Participant loans | 2b(1)(E) | 13939 | |
| **(F)** Other | 2b(1)(F) | | |
| **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 13939 |
| **(2)** Dividends: **(A)** Preferred stock | 2b(2)(A) | | |
| **(B)** Common stock | 2b(2)(B) | 503387 | |
| **(C)** Registered investment company shares (e.g. mutual funds) | 2b(2)(C) | 261959 | |
| **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | 765346 |
| **(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) | | 712808 |
| c Other income | 2c | | |
| d Total income. Add all **income** amounts in column (b) and enter total | 2d | | 2369233 |
| **Expenses** | | | |
| e Benefit payment and payments to provide benefits: | | | |
| (1) Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 1183645 | |
| (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) | | 1183645 |
| 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) | 58071 | |
| (3) Investment advisory and management fees | 2i(3) | | |
| (4) Other | 2i(4) | | |
| (5) Total administrative expenses. Add lines **2i(1)** through **(4)** | 2i(5) | | 58071 |
| j Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 1241716 |
| **Net Income and Reconciliation** | | | |
| k Net income (loss). Subtract line **2j** from line **2d** | 2k | | 1127517 |
| 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)** [X] 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 [X] No

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

**(1)** Name: DAVIS KINARD & CO., P.C. **(2)** EIN: 75-1332266

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

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

## Part IV Compliance Questions

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

During the plan year:

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

| | | Yes | No | N/A | Amount |
|---|---|---|---|---|---|
| c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) | 4c | | X | | |
| d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) | 4d | | X | | |
| e Was this plan covered by a fidelity bond? | 4e | X | | | 6000000 |
| f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | 4f | | X | | |
| g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? | 4g | | X | | |
| h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? | 4h | | X | | |
| i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) | 4i | X | | | |
| j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.) | 4j | | X | | |
| k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? | 4k | | X | | |
| l Has the plan failed to provide any benefit when due under the plan? | 4l | | X | | |
| m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) | 4m | | X | | |
| n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. | 4n | | | | |
| o Did the plan trust incur unrelated business taxable income? | 4o | | | | |
| p Were in-service distributions made during the plan year? | 4p | | | | |

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

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

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

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

## Part V Trust Information

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

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

# SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Retirement Plan Information

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

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

OMB No. 1210-0110

**2015**

**This Form is Open to Public Inspection.**

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

**A** Name of plan
LEGEND BANK EMPLOYEE STOCK OWNERSHIP AND 401(K) PLAN

**B** Three-digit plan number (PN) ▶ 002

**C** Plan sponsor's name as shown on line 2a of Form 5500
LEGEND BANK

**D** Employer Identification Number (EIN)
75-0150372

## Part I Distributions

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

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

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

EIN(s): 16-1065416

**Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.**

**3** Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year ..... **3**

## Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

**4** Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

**If the plan is a defined benefit plan, go to line 8.**

**5** If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

**If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.**

**6 a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) ..... **6a**

**b** Enter the amount contributed by the employer to the plan for this plan year ..... **6b**

**c** Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) ..... **6c**

**If you completed line 6c, skip lines 8 and 9.**

**7** Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

**8** If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

## Part III Amendments

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

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

**10** Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☒ **No**

**11 a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☒ **No**

**b** If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☒ **No**

**12** Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☒ **Yes** ☐ **No**

## Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

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

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

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

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

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

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

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

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

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

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

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

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

**14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

| | | |
|---|---|---|
| **a** The current year | **14a** | |
| **b** The plan year immediately preceding the current plan year | **14b** | |
| **c** The second preceding plan year | **14c** | |

**15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

| | | |
|---|---|---|
| **a** The corresponding number for the plan year immediately preceding the current plan year | **15a** | |
| **b** The corresponding number for the second preceding plan year | **15b** | |

**16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

| | | |
|---|---|---|
| **a** Enter the number of employers who withdrew during the preceding plan year | **16a** | |
| **b** If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers | **16b** | |

**17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

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

**18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

**19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

**a** Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

**b** Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

**c** What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

## Part VII IRS Compliance Questions

| | | |
|---|---|---|
| **20a** Is the plan a 401(k) plan? | ☐ Yes | ☐ No |
| **20b** If "Yes," how does the 401(k) plan satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under sections 401(k)(3) and 401(m)(2)? | ☐ Design-based safe harbor method | ☐ ADP/ACP test |
| **20c** If the ADP/ACP test is used, did the 401(k) plan perform ADP/ACP testing for the plan year using the "current year testing method" for nonhighly compensated employees (Treas. Reg sections 1.401(k)-2(a)(2)(ii) and 1.401(m)-2(a)(2)(ii))? | ☐ Yes | ☐ No |
| **21a** Check the box to indicate the method used by the plan to satisfy the coverage requirements under section 410(b): | ☐ Ratio percentage test | ☐ Average benefit test |
| **21b** Does the plan satisfy the coverage and nondiscrimination tests of sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules? | ☐ Yes | ☐ No |
| **22a** Has the plan been timely amended for all required tax law changes? | ☐ Yes | ☐ No ☐ N/A |

**22b** Date the last plan amendment/restatement for the required tax law changes was adopted ____/____/____. Enter the applicable code _____ (See instructions for tax law changes and codes).

**22c** If the plan sponsor is an adopter of a pre-approved master and prototype (M&P) or volume submitter plan that is subject to a favorable IRS opinion or advisory letter, enter the date of that favorable letter _____/_____/_____ and the letter's serial number _____.

**22d** If the plan is an individually-designed plan and received a favorable determination letter from the IRS, enter the date of the plan's last favorable determination letter _____/_____/_____.

| | | |
|---|---|---|
| **23** Is the Plan maintained in a U.S. territory (i.e., Puerto Rico (if no election under ERISA section 1022(i)(2) has been made), American Samoa, Guam, the Commonwealth of the Northern Mariana Islands or the U.S. Virgin Islands)? | ☐ Yes | ☐ No |

# LEGEND BANK EMPLOYEE STOCK OWNERSHIP and 401(k) PLAN

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FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT

---

YEARS ENDED
DECEMBER 31, 2015 AND 2014

**LEGEND BANK EMPLOYEE STOCK OWNERSHIP and 401(k) PLAN**

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INDEPENDENT AUDITOR'S REPORT

To the Trustees of
Legend Bank Employee Stock Ownership and 401(k) Plan:

We have audited the accompanying financial statements of the Legend Bank Employee Stock Ownership and 401(k) Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2015 and 2014, 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2015 and 2014, and the changes in net assets available for benefits for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

**Report on Supplemental Information**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental Schedule of Assets Held at the End of Year as of December 31, 2015, referred to as "supplemental information," is presented for the purpose of additional analysis and is not a required part of the financial statements but is supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Certified Public Accountants

Abilene, Texas
June 22, 2016
(except for Note 10, as to which
the date is April 17, 2017)

**LEGEND BANK EMPLOYEE STOCK OWNERSHIP and 401(k) PLAN**
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2015 AND 2014

| | 2015 | 2014 |
|---|---|---|
| ASSETS | | |
| Investments, at fair value: | | |
| Mutual funds | $ 5,487,753 | $ 5,883,554 |
| Common collective trust | 697,816 | 206,354 |
| Legend Bancorp, Inc. common stock | 10,835,753 | 9,835,180 |
| Total investments | 17,021,322 | 15,925,088 |
| Receivables: | | |
| Employer contributions | 13,006 | 16,351 |
| Participant contributions | 17,350 | 18,496 |
| Notes receivable from participants | 374,153 | 338,379 |
| Total receivables | 404,509 | 373,226 |
| NET ASSETS AVAILABLE FOR BENEFITS | $ 17,425,831 | $ 16,298,314 |

The accompanying notes are an integral part of these statements.

**LEGEND BANK EMPLOYEE STOCK OWNERSHIP and 401(k) PLAN**
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEARS ENDED DECEMBER 31, 2015 AND 2014

| | 2015 | 2014 |
|---|---|---|
| ADDITIONS TO NET ASSETS ATTRIBUTED TO: | | |
| Investment income: | | |
| Net appreciation in fair value of investments | $ 712,808 | $ 2,023,955 |
| Dividends - mutual funds | 261,959 | 188,599 |
| Dividends - common stock | 503,387 | 442,878 |
| Total investment income | 1,478,154 | 2,655,432 |
| Interest - participant loans | 13,939 | 13,849 |
| Contributions: | | |
| Employer | 360,110 | 358,482 |
| Participant | 482,365 | 458,077 |
| Rollovers | 34,665 | 88,702 |
| Total contributions | 877,140 | 905,261 |
| TOTAL ADDITIONS | 2,369,233 | 3,574,542 |
| DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO: | | |
| Benefits paid to participants | 1,183,645 | 368,829 |
| Administrative expenses | 58,071 | 49,021 |
| TOTAL DEDUCTIONS | 1,241,716 | 417,850 |
| Net increase in net assets available for benefits | 1,127,517 | 3,156,692 |
| NET ASSETS AVAILABLE FOR BENEFITS: | | |
| Beginning of the year | 16,298,314 | 13,141,622 |
| End of the year | $ 17,425,831 | $ 16,298,314 |

The accompanying notes are an integral part of these statements.

*NOTE 1: DESCRIPTION OF PLAN*

The following description of the Legend Bank Employee Stock Ownership and 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution benefit plan covering all eligible employees of Legend Bancorp and its affiliated companies (the Company). A new employee becomes eligible to participate in the compensation deferral portion of the Plan upon attaining 21 years of age and completion of 90 days of service. New employees become eligible to participate in the profit sharing and employee stock ownership plan (ESOP) contributions upon attaining 21 years of age and completion of an eligibility period in which they have been credited with at least 1,000 hours of service. Entry dates for the Plan are January 1, April 1, July 1 and October 1 following satisfaction of eligibility requirements. The Plan is established to comply with Internal Revenue Code Sections 401 and 501. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended. The Plan's Trustees are responsible for the oversight of the Plan. The Benefit Committee determines the appropriateness of the Plan's investment offerings, monitors investment performance and reports to the Plan's Trustees.

Contributions

Participants can make elective contributions to the 401(k) portion of the Plan through salary deductions, as defined in the Plan, not to exceed the maximum IRS limits. Employees may not elect that salary deductions be used to buy Company stock. The Company match of employee contributions is directed to a money market account that is used to purchase Company stock when appropriate funding levels have been met. The Company makes a match equal to 100% of employee contributions up to 6% of employee annual compensation in the form of a 401(k) fund match or in Company stock. An additional discretionary profit sharing Company match may also be contributed. Rollover contributions are allowed if they meet certain requirements of the Plan. The Company makes additional ESOP contributions to employees at the sole discretion of the Board of Directors. Participants can make elective Roth contributions to the 401(k) portion of the Plan through salary deductions, as defined in the Plan, not to exceed the maximum Internal Revenue Service (IRS) limits, effective January 19, 2014.

Participant Accounts

Each participant's account is credited with contributions and earnings from their investments. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are vested immediately in their contributions, plus actual earnings thereon. Vesting in the discretionary Company contribution and matching contributions to their accounts for the 401(k) portion of the Plan is based on years of service, as follows:

| Years of Service | Vested Percentage | Forfeited Percentage |
|---|---|---|
| Less than 3 years | 0% | 100% |
| 3 or more years | 100% | 0% |

*NOTE 1: DESCRIPTION OF PLAN – continued*

Vesting in the ESOP Contribution – Stock and ESOP Contribution – Cash accounts for participants is based on years of service, as follows:

| Years of Service | Vested Percentage | Forfeited Percentage |
|---|---|---|
| Less than 2 years | 0% | 100% |
| 2 | 20% | 80% |
| 3 | 40% | 60% |
| 4 | 60% | 40% |
| 5 | 80% | 20% |
| 6 or more years | 100% | 0% |

Notes Receivable from Participants

Loans to participants may be made up to $50,000 or 50% of their vested interest. The minimum loan is $1,000. Loan transactions are treated as a transfer to (from) the investment fund from (to) the participant loan fund. Loan terms range from 1-5 years, with an exception for a longer period for use in securing the participant's primary residence. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined quarterly by the plan administrator. Principal and interest are paid ratably through payroll deductions.

Payment of Benefits

Benefits are recorded when paid. On termination of service, a participant will receive benefits equal to the value of his or her vested account balance. If the vested benefit upon termination of employment in the Plan does not exceed $1,000, then the balance will be distributed automatically. Otherwise, distributions are made at the participant's election. If a participant's vested balance is at or below $25,000, the participant will receive payment of benefits in a single lump-sum. For accounts with a vested balance above $25,000, the 401(k) portion and stock purchase account are paid in a single sum, with the ESOP portion of the account being paid in a series of up to ten annual installments based on the balance of the ESOP account. The ESOP portion over $25,000 may be paid in one lump-sum based on approval from the Benefit Committee, effective June 25, 2013.

The normal retirement age is the date a participant attains 70½ years of age. If a participant has reached normal retirement age, distributions may be made, at the participant's election, from accounts that are 100% vested, without requiring the participant to terminate employment.

Forfeited Accounts

Forfeitures of Company contributions will first be used to pay administrative expenses. Forfeitures of matching contributions will be used to reduce the Company's matching contribution under the Plan. Any remaining forfeitures will be added to discretionary Company contributions. The amount of forfeitures for the years ended December 31, 2015 and 2014 was $8,360 and $3,889, respectively.

Voting Rights

Each participant is entitled to exercise voting rights attributable to the shares allocated to his or her account and is notified by the Trustee prior to the time that such rights are to be exercised. If the Trustee does not timely receive voting directions from a participant or beneficiary, the Trustee shall vote the shares on behalf of the collective best interest of the Plan participants and beneficiaries.

*NOTE 1: DESCRIPTION OF PLAN – continued*

Limitation of Investment in Company Stock

The Board of Directors placed a maximum limit on Company stock that the Plan can own. This maximum percentage is to not be greater than 25% of Company stock, effective June 25, 2013.

Put Option

Under federal income tax regulations, the Company stock that is held by the Plan and its participants and is not readily tradable on an established market, or is subject to trading limitations, includes a put option. The put option is a right to demand that the Company buy any shares of its stock distributed to participants for which there is no market. The put price is representative of the fair market value of the stock.

*NOTE 2: SUMMARY OF ACCOUNTING POLICIES*

Basis of Accounting

The financial statements of the Plan have been prepared on the accrual basis of accounting. Accordingly, revenue is recognized when earned and expenses are recognized when incurred.

Investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. The Statement of Net Assets Available for Benefits presents the fair value of the investment contracts, the adjustment of the fully benefit-responsive investment contracts from fair value to contract value is not needed as fair value equals contract value. The Statement of Changes in Net Assets Available for Benefits is prepared using the fair value as well.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's Trustees determines the Plan's valuation policies utilizing information provided by the investment advisers, custodians and insurance company. See note 5 for discussion of fair value measurements. The common shares of the Company are valued at fair value on December 31, 2015 and 2014. Fair value is determined by semi-annual independent appraisals. Plan loans are valued at their outstanding balances, which approximate their fair value. Shares of mutual funds and common/collective trust are valued at the net asset value of shares held by the Plan at year end.

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

*NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued*

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2015 and 2014.

Expenses

Certain expenses of maintaining the Plan are paid by the Plan, unless otherwise paid by the Company. Expenses that are paid by the Company are excluded from these financial statements. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net appreciation of fair value of investments.

Subsequent Events

Management of the Plan has evaluated subsequent events through June 22, 2016, the date the financial statements were available to be issued.

Recent Accounting Pronouncements

In May 2015, The FASB issued Accounting Standards Update No. 2015-07, Fair Value Measurement. This amendment eliminates the requirement to categorize, within the fair value hierarchy, investments for which fair values are measured using the net asset value per share practical expedient. This new amendment will be effective for fiscal years beginning after December 15, 2016. However, early adoption is permitted and the Plan early adopted this amendment in 2015 and applied it retrospectively to years ended December 31, 2015 and 2014. This guidance did not have a significant impact to the Plan's financial statements.

In July 2015, the FASB issued Accounting Standards Update No. 2015-12, Plan Accounting. This amendment clarifies that contract value is the relevant measure for fully benefit-responsive investment contracts (FBRICs), therefore eliminating the requirement to measure fair value and present related fair value measurement disclosures but, instead, present FBRICs at contract value. This amendment also simplifies the level of disaggregation for investments measured using fair value, eliminates the requirement to disclose the net appreciation or depreciation in fair value of investments by general type and eliminates the requirement to disclose individual investments with a value equal to or greater than 5% of net assets available for benefits. This new amendment will be effective for fiscal years beginning after December 15, 2015. However, early adoption is permitted and the Plan early adopted this amendment in 2015 and applied it retrospectively to years ended December 31, 2015 and 2014. This guidance did not have a significant impact to the Plan's financial statements.

*NOTE 3: ADMINISTRATION OF PLAN ASSETS*

The Plan's assets, which consist principally of Legend Bancorp, Inc. common stock and mutual fund investments, are held by the Trustee of the Plan. Contributions are held and managed by the Trustee, which invests cash received and interest and makes distributions to participants. Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan.

*NOTE 4: INVESTMENTS*

The Plan's investment in Legend Bancorp, Inc. common stock, at December 31, is presented in the following table:

| | 2015 | 2014 |
|---|---|---|
| Legend Bancorp, Inc. common stock | | |
| number of shares held | 103,365 | 103,365 |
| Cost | $ 7,036,954 | $ 6,870,678 |

*NOTE 5: FAIR VALUE MEASUREMENTS*

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarch gives the highest priority to unadjusted quoted process in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarch under FASB ASC 820 are described as follows:

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

Level 2 - Inputs to the valuation methodology include:

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

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

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

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes to the methodologies used at December 31, 2015 and 2014.

*Mutual Funds* - Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

*NOTE 5: FAIR VALUE MEASUREMENTS – continued*

*Common Collective Trust* - Valued at the NAV of units of a bank collective trust. The NAV, as provided by the Trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV. Participant transactions (purchased and sales) may occur daily. Were the Plan to initiate a full redemption of the collective trust, the investment adviser reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

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

| | Assets at Fair Value as of December 31, 2015 | | | |
|---|---|---|---|---|
| | Level 1 Inputs | Level 2 Inputs | Level 3 Inputs | Total Fair Value |
| Mutual funds | $ 5,438,774 | $ 48,979 | $ - | $ 5,487,753 |
| Legend Bancorp, Inc. common stock | - | - | 10,835,753 | 10,835,753 |
| Total assets in the fair value hierarchy | 5,438,774 | 48,979 | 10,835,753 | 16,323,506 |
| Investments measured at net asset value - common collective trust[(a)] | - | - | - | 697,816 |
| Total investments at fair value | $ 5,438,774 | $ 48,979 | $ 10,835,753 | $ 17,021,322 |

| | Assets at Fair Value as of December 31, 2014 | | | |
|---|---|---|---|---|
| | Level 1 Inputs | Level 2 Inputs | Level 3 Inputs | Total Fair Value |
| Mutual funds | $ 5,883,554 | $ - | $ - | $ 5,883,554 |
| Legend Bancorp, Inc. common stock | - | - | 9,835,180 | 9,835,180 |
| Total assets in the fair value hierarchy | 5,883,554 | - | 9,835,180 | 15,718,734 |
| Investments measured at net asset value - common collective trust[(a)] | - | - | - | 206,354 |
| Total investments at fair value | $ 5,883,554 | $ - | $ 9,835,180 | $ 15,925,088 |

(a) In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statement of net assets available for benefits.

Legend Bancorp, Inc. common stock is not actively traded and significant other observable inputs are not available. Thus, the fair value of the Legend Bancorp, Inc. common stock is determined by independent appraisal. This valuation was based on a combination of the net asset value, transactions and capitalized earnings methods consistent with prior years. The valuation took into account historical cash flow and net income, market comparables and estimated fair value of company assets and liabilities.

*NOTE 5: FAIR VALUE MEASUREMENTS – continued*

The following table sets forth a summary of changes in the fair value of the Plans' Level 3 assets for the years ended December 31, 2015, and 2014.

Fair Value Measurements Using Significant Unobservable Inputs at December 31 (Level 3)

| Legend Bancorp, Inc. Common Stock | 2015 | 2014 |
|---|---|---|
| Balance, beginning of year | $ 9,835,180 | $ 7,482,555 |
| Total gains or losses (realized and unrealized) included in changes in net assets available for benefits | 1,000,573 | 1,973,417 |
| Purchases | 1,044,624 | 1,099,862 |
| Transfers in | - | - |
| Sales | (1,044,624) | (720,654) |
| Balance, end of year | $ 10,835,753 | $ 9,835,180 |
| The amount of total gains for the period attributable to the change in unrealized gains or losses relating to assets still held at the reporting date | $ 975,807 | $ 1,957,196 |

Unrealized gains/(losses) for the years ended December 31, 2015 and 2014 are reported in net appreciation in fair value of investments in the Statements of Changes in Net Assets Available for Benefits.

*NOTE 6: RELATED PARTY AND PARTY IN INTEREST TRANSACTIONS*

Certain Plan investments in mutual fund and common collective funds are managed by BPA, the custodian of the Plan's assets. Any purchases and sales of these funds are performed in the open market at fair value. Such transactions, while considered party-in-interest transactions under ERISA regulations, are permitted under the provisions of the Plan and are specifically exempt from the prohibition of party-in-interest transactions under ERISA. Administrative expense paid by the Plan to BPA for the years ended December 31, 2015 and 2014 amounted to $58,071 and $49,021, respectively.

*NOTE 7: PLAN TERMINATION*

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become fully vested in their Company contributions.

*NOTE 8: TAX STATUS*

The IRS has determined and informed the Plan by a letter dated September 29, 2013, that the Plan is designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the plan administrator and Plan's tax counsel believe that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified and tax exempt.

*NOTE 9: RISKS AND UNCERTAINTIES*

The Plan provides for various investment options in any combination of employer securities, mutual funds, and common/collective trust offered by the Plan. Investment securities are exposed to various risks, such as interest rate risk, market fluctuations, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

*NOTE 10: SUBSEQUENT EVENTS*

During 2016, management became aware of an error in the independent valuation of the Company's stock held by the Plan. Consequently the valuation has been reissued and the form 5500 has been amended to reflect the correct valuation. The Statements of Net Assets for Benefits at December 31, 2014 (Legend Bank, Inc. common stock) increased $333,869 and the Statement of Change in Net Assets Available for Benefits for the year ended December 31, 2014 (Net appreciation in fair value of investments) increased by the same amount. Notes 4 and 5 and Schedule H have been updated accordingly.

**LEGEND BANK EMPLOYEE STOCK OWNERSHIP and 401(k) PLAN**

EIN: 75-2770125, PLAN NUMBER: 002

SCHEDULE H, LINE 4i: SCHEDULE OF ASSETS HELD AT END OF YEAR

December 31, 2015

| (a) | (b) Identity Of Issue, Borrower, Lessor Or Similar Party | (c) Description Of Investment Including Maturity Date, Rate Of Interest, Collateral, Par Or Maturity Value | (d) Cost** | (e) Current Value |
|---|---|---|---|---|
| | Allianz Funds | AllianzGI Retirement 2015 A | $ n/a | $ 187 |
| | Allianz Funds | AllianzGI Retirement 2020 A | n/a | 170 |
| | Allianz Funds | AllianzGI Retirement 2025 A | n/a | 199 |
| | Allianz Funds | AllianzGI Retirement 2030 A | n/a | 142 |
| | Allianz Funds | AllianzGI Retirement 2050 A | n/a | 383 |
| | American Beacon | American Beacon Mid-Cap Val I | n/a | 7,387 |
| | American Funds | American Funds AM Balanced R6 | n/a | 3,315,232 |
| | American Funds | American Funds AMCAP Fund R6 | n/a | 259,481 |
| | American Funds | American Funds Europacific R4 | n/a | 1,599 |
| | American Funds | American Funds Europacific R6 | n/a | 80,300 |
| | American Funds | American Funds FDMNTL Inv 4 | n/a | 7,115 |
| | Columbia | Columbia High Yield Bond R4 | n/a | 49,735 |
| | Delaware | Delaware Small Cap Value I | n/a | 36,825 |
| | Dreyfus | Dreyfus Small Cap Stock Index | n/a | 5,091 |
| | Emerald | Emerald Growth Instl | n/a | 140,722 |
| | Federated | Federated Cap Preserv Instl | n/a | 301,383 |
| | Ivy | Ivy Mid Cap Growth I | n/a | 39,257 |
| | Met West | Met West Total Return Bond I | n/a | 84,699 |
| | MFS | MFS Conservative Allocation | n/a | 22,705 |
| | MFS | MFS Growth Allocation | n/a | 95,991 |
| | Oppenheimer | Oppenheimer Dev'l MKTS Y | n/a | 11,823 |
| | PIMCO | PIMCO Real Return Fund A | n/a | 143 |
| | Prudential | Prudential Glbl Total Return Q | n/a | 28,210 |
| | Standard | Standard Stable Asset 2 | n/a | 396,270 |
| | T. Rowe Price | T. Rowe Price Infl Prot Bond | n/a | 121,362 |
| | Vanguard | Vanguard 500 Index Admiral Ser | n/a | 70,637 |
| | Vanguard | Vanguard Equity Income Admiral | n/a | 399,725 |
| | Vanguard | Vanguard Mid-Cap Index Admiral | n/a | 53,567 |
| | Vanguard | Vanguard Small-Cap Index Adm | n/a | 51,975 |
| | Vanguard | Vanguard Target Retirement 2015 | n/a | 6,147 |
| | Vanguard | Vanguard Target Retirement 2020 | n/a | 5,238 |
| | Vanguard | Vanguard Target Retirement 2025 | n/a | 406,321 |
| | Vanguard | Vanguard Target Retirement 2030 | n/a | 5,019 |
| | Vanguard | Vanguard Target Retirement 2035 | n/a | 52,279 |

**LEGEND BANK EMPLOYEE STOCK OWNERSHIP and 401(k) PLAN**

EIN: 75-2770125, PLAN NUMBER: 002

SCHEDULE H, LINE 4i: SCHEDULE OF ASSETS HELD AT END OF YEAR - CONTINUED

December 31, 2015

| (a) | (b) Identity Of Issue, Borrower, Lessor Or Similar Party | (c) Description Of Investment Including Maturity Date, Rate Of Interest, Collateral, Par Or Maturity Value | (d) Cost** | (e) Current Value |
|---|---|---|---|---|
| | Vanguard | Vanguard Target Retirement 2040 | n/a | 22 |
| | Vanguard | Vanguard Target Retirement 2045 | n/a | 10,315 |
| | Vanguard | Vanguard Target Retirement 2050 | n/a | 12,176 |
| | Vanguard | Vanguard Target Retirement 2055 | n/a | 12,532 |
| | Vanguard | Vanguard Total Bd Indx Admiral | n/a | 44,063 |
| * | BPA | ESOP Money Market Account | n/a | 48,979 |
| * | BPA | Federated Capital Preservation | n/a | 163 |
| * | Legend Bancorp, Inc. | Common Stock | n/a | 10,835,753 |
| * | Loans to Participants | Interest Rate 4.25% | n/a | 374,153 |
| | | | $ n/a | $ 17,395,475 |

* Identified as party-in-interest.

** Cost information is not required to be disclosed for participant-directed investments.