# 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 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

**2016**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

**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.)
- [X] 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
L & H COMPANY, INC. 401(K) PROFIT SHARING PLAN AND TRUST

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

**1c** Effective date of plan 12/10/1956

**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)
L & H COMPANY, INC.

2215 YORK ROAD, SUITE 304
OAK BROOK, IL 60523

**2b** Employer Identification Number (EIN) 36-3097857

**2c** Plan Sponsor's telephone number 630-571-7200

**2d** Business code (see instructions) 238210

**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. | 07/26/2017 | MARIBEL GARIBAY |
| | **Signature of plan administrator** | Date | Enter name of individual signing as plan administrator |
| **SIGN HERE** | Filed with authorized/valid electronic signature. | 07/26/2017 | MARIBEL GARIBAY |
| | **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** | 316 |
| **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)** | 284 |
| **a(2)** | Total number of active participants at the end of the plan year | **6a(2)** | 277 |
| **b** | Retired or separated participants receiving benefits | **6b** | 0 |
| **c** | Other retired or separated participants entitled to future benefits | **6c** | 31 |
| **d** | Subtotal. Add lines **6a(2)**, **6b**, and **6c**. | **6d** | 308 |
| **e** | Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. | **6e** | 0 |
| **f** | Total. Add lines **6d** and **6e**. | **6f** | 308 |
| **g** | Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | 295 |
| **h** | Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 4 |
| **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:

2A 2E 2F 2G 2J 2K 2S 2T 3D 3H

**b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

**9a** Plan funding arrangement (check all that apply)

- **(1)** [ ] Insurance
- **(2)** [ ] Code section 412(e)(3) insurance contracts
- **(3)** [X] 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)** [X] 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)** [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)** [ ] ___ **A** (Insurance Information)
- **(4)** [X] **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)

**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 2016 Form M-1 annual report. If the plan was not required to file the 2016 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.** | **2016**<br>**This Form is Open to Public Inspection.** |

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

**A** Name of plan
L & H COMPANY, INC. 401(K) PROFIT SHARING PLAN AND TRUST

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

**C** Plan sponsor's name as shown on line 2a of Form 5500
L & H COMPANY, INC.

**D** Employer Identification Number (EIN)
36-3097857

## Part I Service Provider Information (see instructions)

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

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

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

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

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

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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)

MG TRUST

| (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? |
|---|---|---|---|---|---|---|
| 19 | NONE | | Yes [X] No [ ] | Yes [ ] No [X] | 11366 | Yes [ ] No [X] |

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

ALLIANCE BENEFIT GROUP OF ILINOIS

| (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? |
|---|---|---|---|---|---|---|
| 64 65 | NONE | | Yes [X] No [ ] | Yes [ ] No [X] | 46440 | Yes [ ] No [X] |

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

UBS FINANCIAL SERVICES, INC.

1285 AVENUE OF THE AMERICAS
NEW YORK, NY 10019

13-2638166

| (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? |
|---|---|---|---|---|---|---|
| 63 | | | Yes [X] No [ ] | Yes [ ] No [X] | 53805 | Yes [ ] No [X] |

**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 |
|---|---|---|
| UBS FINANCIAL SERVICES, INC. | 63 | 5949 |

| **(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. |
|---|---|
| AMG MANAGERS FAIRPOINTE<br>600 STEAMBOAT ROAD, SUITE 300<br>GREENWICH, CT 06830 | 12B-1 |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| UBS FINANCIAL SERVICES, INC. | 63 | 2316 |

| **(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. |
|---|---|
| COLUMBIA SELIGMAN<br>PO BOX 8081<br>BOSTON, MA 02266-8081 | 12B-1 |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| UBS FINANCIAL SERVICES, INC. | 63 | 9817 |

| **(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. |
|---|---|
| INVESCO<br>430 W. 7TH STREET<br>KANSAS CITY, MO 64105-1407 | 12B-1 |

## 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 |
|---|---|---|
| MG TRUST COMPANY | 19 | 11366 |

| **(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. |
|---|---|
| ALLIANCE BENEFIT GROUP OF ILLINOIS | REVENUE SHARING RECEIVED FROM VARIOUS FUNDS |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| ALLIANCE BENEFIT GROUP OF ILLINOIS | 64 65 | 46440 |

| **(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. |
|---|---|
| MG TRUST COMPANY | REVENUE SHARING RECEIVED FROM VARIOUS FUNDS |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| UBS FINANCIAL SERVICES, INC. | 63 | 3636 |

| **(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. |
|---|---|
| PIMCO<br>P.O. BOX 55060<br>BOSTON, MA 02205-5060 | 12B-1 |

## 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 |
|---|---|---|
| UBS FINANCIAL SERVICES, INC. | 63 | 4550 |

| **(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. |
|---|---|
| VOYA<br>7337 E. DOUBLETREE RANCH ROAD<br>SCOTTSDALE, AZ 85258 | 12B-1 |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| UBS FINANCIAL SERVICES, INC. | 63 | 2754 |

| **(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. |
|---|---|
| WELLS FARGO<br>P.O. BOX 8266<br>BOSTON, MA 02266-8266 | 12B-1 |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| UBS FINANCIAL SERVICES, INC. | 63 | 8428 |

| **(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. |
|---|---|
| IVY FUNDS<br>6300 LAMAR AVENUE<br>OVERLAND PARK, KS 66202 | 12B-1 |

## 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 |
|---|---|---|
| UBS FINANCIAL SERVICES, INC. | 63 | 8448 |

| **(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. |
|---|---|
| JOHN HANOCK FUNDS<br>P.O. BOX 55913<br>BOSTON, MA 02205-5913 | 12B-1 |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| UBS FINANCIAL SERVICES, INC. | 63 | 5997 |

| **(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. |
|---|---|
| LOOMIS<br>P.O. BOX 219594<br>KANSAS CITY, MO 64121-9594 | 12B-1 |

| **(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 H (Form 5500)

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

**2016**

**This Form is Open to Public Inspection**

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

**A** Name of plan
L & H COMPANY, INC. 401(K) PROFIT SHARING PLAN AND TRUST

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

**C** Plan sponsor's name as shown on line 2a of Form 5500
L & H COMPANY, INC.

**D** Employer Identification Number (EIN)
36-3097857

## 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) | 2060932 | 2138578 |
| **(2)** Participant contributions | 1b(2) | 51160 | |
| **(3)** Other | 1b(3) | | |
| **c** General investments: | | | |
| **(1)** Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | 3273431 | 2675456 |
| **(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) | 32861701 | 37424496 |
| **(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) | | |
| | **(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 | 38247224 | 42238530 |
| | **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 | | |
| | **Net Assets** | | | |
| **l** | Net assets (subtract line 1k from line 1f) | 1l | 38247224 | 42238530 |

## 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) | 2524947 | |
| | **(B)** Participants | 2a(1)(B) | 1561969 | |
| | **(C)** Others (including rollovers) | 2a(1)(C) | 214836 | |
| | **(2)** Noncash contributions | 2a(2) | | |
| | **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 4301752 |
| **b** | **Earnings on investments:** | | | |
| | **(1)** Interest: | | | |
| | **(A)** Interest-bearing cash (including money market accounts and certificates of deposit) | 2b(1)(A) | | |
| | **(B)** U.S. Government securities | 2b(1)(B) | | |
| | **(C)** Corporate debt instruments | 2b(1)(C) | | |
| | **(D)** Loans (other than to participants) | 2b(1)(D) | | |
| | **(E)** Participant loans | 2b(1)(E) | | |
| | **(F)** Other | 2b(1)(F) | | |
| | **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | |
| | **(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) | | |
| | **(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) | | |
| | **(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) | | |

| | | (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) | | 3556579 |
| c Other income | 2c | | |
| d Total income. Add all **income** amounts in column (b) and enter total | 2d | | 7858331 |
| **Expenses** | | | |
| e Benefit payment and payments to provide benefits: | | | |
| (1) Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 3863950 | |
| (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) | | 3863950 |
| 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) | 3075 | |
| (2) Contract administrator fees | 2i(2) | | |
| (3) Investment advisory and management fees | 2i(3) | | |
| (4) Other | 2i(4) | | |
| (5) Total administrative expenses. Add lines **2i(1)** through **(4)** | 2i(5) | | 3075 |
| j Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 3867025 |
| **Net Income and Reconciliation** | | | |
| k Net income (loss). Subtract line **2j** from line **2d** | 2k | | 3991306 |
| 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: BKD LLP **(2)** EIN: 44-0160260

**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 | 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 | 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 | | 1000000 |
| f | Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | 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 | Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service? | 4o | | | |

**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
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year_____. (See instructions.)

## 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 sections 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

**2016**

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

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

**A** Name of plan
L & H COMPANY, INC. 401(K) PROFIT SHARING PLAN AND TRUST

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

**C** Plan sponsor's name as shown on line 2a of Form 5500
L & H COMPANY, INC.

**D** Employer Identification Number (EIN)
36-3097857

## 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**

**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): 37-0899315

**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? If "No," skip b | ☐ Yes ☐ No |
| **20b** How did the plan satisfy the nondiscrimination requirements for employee deferrals under section 401(k)(3) for the plan year? Check all that apply: | ☐ Design-based safe harbor ☐ "Prior year" ADP test ☐ "Current year" ADP test ☐ N/A |
| **21a** What testing method was used to satisfy the coverage requirements under section 410(b) for the plan year? Check all that apply: | ☐ Ratio percentage test ☐ Average benefit test ☐ N/A |
| **21b** Did the plan satisfy the coverage and nondiscrimination requirements of sections 410(b) and 401(a)(4) for the plan year by combining this plan with any other plan under the permissive aggregation rules? | ☐ Yes ☐ No |

**22a** If the plan is a master and prototype plan (M&P) or volume submitter plan that received a favorable IRS opinion letter or advisory letter, enter the date of the letter _____/_____/_____ and the serial number _____.

**22b** If the plan is an individually-designed plan that received a favorable determination letter from the IRS, enter the date of the most recent determination letter _____/_____/_____.

# L & H Company, Inc.
# 401(k) Profit Sharing Plan and Trust

**EIN 36-3097857  PN 002**

## Independent Auditor's Report and Financial Statements

**December 31, 2016 and 2015**

BKD LLP
CPAs & Advisors

# L & H Company, Inc.
# 401(k) Profit Sharing Plan and Trust
### December 31, 2016 and 2015

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BKD LLP
CPAs & Advisors

1901 S. Meyers Road, Suite 500 // Oakbrook Terrace, IL 60181-5209
630.282.9500 // fax 630.282.9495 // bkd.com

# Independent Auditor's Report

Trustees
L & H Company, Inc.
401(k) Profit Sharing Plan and Trust
Oak Brook, Illinois

## Report on the Financial Statements

We were engaged to audit the accompanying financial statements of L & H Company, Inc. 401(k) Profit Sharing Plan and Trust, which comprise the statements of net assets available for benefits as of December 31, 2016 and 2015, the related statement of changes in net assets available for benefits for the year ended December 31, 2016, and the related notes to the financial statements.

## Management's Responsibility for the Financial Statements

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

## Auditor's Responsibility

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

## Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the *Employee Retirement Income Security Act of 1974*, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by MG Trust Company LLC, the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained certifications from the trustee as of December 31, 2016 and 2015, and for the year ended December 31, 2016, that the information provided to the plan administrator by the trustee is complete and accurate.

Praxity
MEMBER
GLOBAL ALLIANCE OF INDEPENDENT FIRMS

## 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 Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2016, is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the *Employee Retirement Income Security Act of 1974* and is presented for the purpose of additional analysis and is 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 this supplemental schedule.

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

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

BKD, LLP

Oakbrook Terrace, Illinois
July 20, 2017

Federal Employer Identification Number: 44-0160260

# L & H Company, Inc.
# 401(k) Profit Sharing Plan and Trust
## Statements of Net Assets Available for Benefits
## December 31, 2016 and 2015

| | 2016 | 2015 |
|---|---|---|
| **Investments, at Fair Value** | | |
| Registered investment companies | $ 37,424,496 | $ 32,861,701 |
| Money market | 2,675,456 | 3,273,431 |
| Total investments, at fair value | 40,099,952 | 36,135,132 |
| **Receivables** | | |
| Participants contributions | - | 51,160 |
| Employer contributions | 2,138,578 | 2,060,932 |
| Total receivables | 2,138,578 | 2,112,092 |
| **Net Assets Available for Benefits** | $ 42,238,530 | $ 38,247,224 |

# L & H Company, Inc.
# 401(k) Profit Sharing Plan and Trust
## Statement of Changes in Net Assets Available for Benefits
## Year Ended December 31, 2016

| | |
|---|---|
| **Additions** | |
| Investment income | |
| Net appreciation in fair value of investments | $ 2,114,609 |
| Interest and dividends | 1,441,970 |
| Total investment income | 3,556,579 |
| Contributions | |
| Participants | 1,561,969 |
| Employer | 2,524,947 |
| Rollovers | 214,836 |
| Total contributions | 4,301,752 |
| Total additions | 7,858,331 |
| **Deductions** | |
| Benefits paid to participants | 3,863,950 |
| Administrative expense | 3,075 |
| Total deductions | 3,867,025 |
| **Net Increase** | 3,991,306 |
| **Net Assets Available for Benefits, Beginning of Year** | 38,247,224 |
| **Net Assets Available for Benefits, End of Year** | $ 42,238,530 |

# L & H Company, Inc.
# 401(k) Profit Sharing Plan and Trust
## Notes to Financial Statements
## December 31, 2016 and 2015

## Note 1: Description of Plan

The following description of L & H Company, Inc. 401(k) Profit Sharing Plan and Trust (Plan) is provided for general information purposes only. Users of these financial statements should refer to the plan document for more complete information.

L & H Company, Inc. and its subsidiaries, Meade Electric Company, Inc.; Traffic Control Corporation and Security Analysts, Inc. (collectively, the Company) are related entities whose employees participate in one plan for investment purposes.

### *General*

The Plan is a defined contribution plan established by L & H Company, Inc. and is subject to the provisions of the *Employee Retirement Income Security Act of 1974* (ERISA), as amended by subsequent legislation.

### *Eligibility*

All employees who have completed a three-month period of service with the Company, as defined in the Plan, except employees covered by a collective bargaining agreement, are eligible to participate with respect to salary reduction contributions and Company-matching contributions.

Full-time or part-time employees who have completed at least one year of consecutive eligibility service, worked 1,000 hours during the plan year, are employed on the last day of the plan year with the Company and have attained age 21, except employees covered by a collective bargaining agreement as defined in the Plan, are eligible to receive a discretionary profit sharing contribution.

Upon enrollment in the Plan, a participant may direct employer and employee contributions and earnings to any combination of various investment options.

### *Contributions*

Each year participants may contribute up to 100% of pre-tax compensation up to Internal Revenue Service limitations (salary reduction contributions), as defined in the Plan, except for participants covered under the Company's deferred compensation plan, which is limited to 7% of pre-tax compensation. Age 50 and over participants can contribute an additional $6,000 in 2016 and 2015. Effective January 1, 2007, the Company amended the Plan to have automatic deferral of 4% of a participant's compensation contributed to the Plan on behalf of the participant. The automatic enrollment applies to all eligible employees unless they elect to defer a different percentage or elect not to participate in the Plan. Amounts deferred under the automatic deferral provisions of the Plan are invested in the John Hancock Balanced Fund.

The Company matches 50% of the first 4% of the participant's contributions. Profit sharing contributions may be made at the discretion of the Company's Board of Directors. Contributions are subject to certain limitations.

Participants may also contribute amounts representing distributions from other qualified plans (rollover contributions).

### *Participant Accounts*

Each participant's account is credited with the participant's salary reduction contribution, rollover contributions and an allocation of the Company's contributions and plan earnings. Allocations are based on the participant's eligible compensation or account balances, as defined in the Plan. The benefit to which a participant is entitled is the benefit that can be provided from the participants vested account.

### *Vesting*

Participants are immediately vested in their salary deferred and rollover contributions, Company-matching contributions plus earnings thereon.

Company discretionary profit sharing contributions and earnings thereon vest in accordance with provisions of the Plan as follows:

| Vesting Years of Service | Percentage Vested |
|---|---|
| 2 | 20% |
| 3 | 40% |
| 4 | 60% |
| 5 | 80% |
| 6 | 100% |

Participants who leave the Plan because of death, early or normal retirement or disability retirement, as defined in the Plan, are considered 100% vested.

### *Participant Loans*

According to the Plan's provisions, participants may not borrow from their fund accounts.

### *Payment of Benefits*

Benefits may be paid to the participant or beneficiary upon death, disability, retirement or termination of employment, as defined in the plan agreement. The Plan provides for normal retirement at age 65 and early retirement or in-service withdrawal on or after attaining age 60 and completing 10 years of service with the Company. The total vested portion of a participant's account balance is distributed in the form of a lump-sum payment or installments. A participant experiencing financial hardship may withdraw a portion of his or her account balance as defined in the Plan.

### *Forfeited Accounts*

Forfeitures are allocated among the accounts of participants in the same proportion that each participant's annual compensation for the plan year bears to the total compensation of all participants for such year. Only participants who have completed a year of service during the plan year and are actively employed on the last day of the plan year are eligible to share in the allocation. During 2016 and 2015, $73,944 and $68,713, respectively, were allocated to participants. At December 31, 2016 and 2015, $9,607 and $20,379, respectively, of forfeited accounts is available for future allocation to participants.

## Note 2: Summary of Significant Accounting Policies

### *Basis of Accounting*

The financial statements of the Plan have been prepared under the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

### *Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United of States of America requires the Plan's management to use estimates and assumptions that affect the accompanying financial statements and disclosures. Actual results could differ from these estimates.

### *Valuation of Investments and Income Recognition*

The Plan's investments in shares of registered investment companies are valued at fair value using quoted market prices. Money market investments are valued at cost which approximates fair value.

The Plan provides for investments that, in general, are exposed to various risks such as interest rate, credit and overall market volatility risks. 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 statements of net assets available for benefits.

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.

### *Payment of Benefits*

Benefits are recorded when paid.

### *Administrative Expenses*

Administrative costs, to the extent not paid by the Plan, are paid by the Company.

### *Change in Accounting Principle*

In 2016, the Plan changed its accounting policy on plan accounting disclosures by adopting the provisions of ASU 2015-12, *Plan Accounting (Topics 960, 962, and 965): Part II: Plan Investment Disclosures*. The accounting policy change provided for in ASU 2015-12 changes the Plan's disclosure requirements to eliminate and/or modify certain investment-related disclosures. This change was applied retrospectively for all periods presented.

## Note 3: Information Certified by the Trustee

The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the *Employee Retirement Income Security Act of 1974*. Accordingly, MG Trust Company LLC, the trustee of the Plan, has certified to the completeness and accuracy of all investments and notes receivable from participants reflected on the accompanying statements of net assets available for benefits as of December 31, 2016 and 2015, and the supplemental schedule of assets (held at end of year) as of December 31, 2016, and all investment income components and interest income from participant notes receivable reflected in the statements of changes in net assets available for benefits for the year ended December 31, 2016.

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

## Note 4: Fair Value Measurements

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. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

**Level 1** Quoted prices in active markets for identical assets or liabilities.

**Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

**Level 3** Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities.

The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. There have been no changes in the methodologies used at December 31, 2016 and 2015.

Registered investment companies are determined by obtaining quoted prices on nationally recognized securities exchanges (Level 1).

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of instruments could result in a different fair value measurement at the reporting date. The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2016 and 2015:

| | | Fair Value Measurements at Reporting Date Using | | |
|---|---|---|---|---|
| | Fair Value | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| December 31, 2016 | | | | |
| Registered investment companies | $ 37,424,496 | $ 37,424,496 | $ - | $ - |
| Money market | 2,675,456 | 2,675,456 | - | - |
| | $ 40,099,952 | $ 40,099,952 | $ - | $ - |
| December 31, 2015 | | | | |
| Registered investment companies | $ 32,861,701 | $ 32,861,701 | $ - | $ - |
| Money market | 3,273,431 | - | 3,273,431 | - |
| | $ 36,135,132 | $ 32,861,701 | $ 3,273,431 | $ - |

## Note 5: Risk and Uncertainties

Investments, in general, are subject to various risks, including credit, interest rate and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in values of investment securities will occur in the near term,

and such changes could materially affect the amounts reported in the statements of net assets available for benefits.

## Note 6: Termination of the Plan

Although it has not expressed any intent to do so, the Company has the right under the Plan to terminate the Plan at any time subject to the provisions of ERISA. In the event of plan termination, participants will become 100% vested in their accounts.

## Note 7: Tax Status

The Plan operates under a standardized adoption agreement in connection with prototype 401(k) profit-sharing plan and trust sponsored by Much Shelist PC. This prototype plan document has been filed with the appropriate agency and has obtained an opinion letter dated March 31, 2014, from the Internal Revenue Service stating that the prototype constitutes a qualified plan under Section 401 of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the opinion letter, the plan administrator believes that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore believes that the Plan is qualified, and the related trust is tax exempt as of the financial statement date.

## Note 8: Party-in-Interest Transactions

UBS acts as the investment advisor to the Plan and, therefore, these transactions qualify as exempt party-in-interest transactions. Investment related expenses are included in net appreciation (depreciation) in fair value of investments.

## Note 9: Subsequent Events

Subsequent events have been evaluated through the date of the Independent Auditor's Report, which is the date the financial statements were available to be issued.

# Supplemental Schedule

# L & H Company, Inc.
# 401(k) Profit Sharing Plan and Trust
## EIN 36-3097857 PN 002
## Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
## December 31, 2016

| (a) | 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 |
|---|---|---|---|---|
| | Registered investment companies | | | |
| | AMG Managers | Fairpoint Mid Cap Fund | ** | $ 2,864,365 |
| | Blackrock | Energy & Resource Fund | ** | 139,812 |
| | Blackrock | S & P Stock Fund | ** | 73,822 |
| | Columbia Seligman | Communication & Information Fund | ** | 814,263 |
| | Comstock Partners | Capital Value Fund | ** | 587,992 |
| | Delaware Foundation | Income Allocation Fund | ** | 395,807 |
| | Dodge & Cox Funds | Balanced Fund | ** | 4,411,463 |
| | Dodge & Cox Funds | International Stock Fund | ** | 1,853,365 |
| | Dodge & Cox Funds | Stock Fund | ** | 3,420,421 |
| | Invesco Van Kampen | Balanced Risk Allocation Fund | ** | 59,924 |
| | Invesco Van Kampen | International Growth Fund | ** | 1,003,193 |
| | Invesco Van Kampen | Small Cap Value Fund | ** | 2,937,971 |
| | Ivy Asset | Strategy Fund | ** | 3,297,679 |
| | John Hancock | Balanced Fund | ** | 1,370,678 |
| | John Hancock | Strategic Income Opportunity Fund - R2 | ** | 1,529,110 |
| | Loomis Sayles | Investment Grade Bond Fund | ** | 2,396,775 |
| | Lord Abbett | Fundamental Equity | ** | 3,088,949 |
| | Lord Abbett | Short Duration Income Fund | ** | 3,057,021 |
| | PIMCO | GNMA Fund | ** | 1,394,683 |
| | Prudential - Jennison | Natural Resources Fund | ** | 178,258 |
| | T. Rowe Price | Retirement 2020 Fund | ** | 50,499 |
| | T. Rowe Price | Retirement 2030 Fund | ** | 101,566 |
| | T. Rowe Price | Retirement 2035 Fund | ** | 65,329 |
| | T. Rowe Price | Retirement 2040 Fund | ** | 118,758 |
| | T. Rowe Price | Retirement 2045 Fund | ** | 1,602 |
| | Voya | Real Estate Fund | ** | 1,180,737 |
| | Wells Fargo Advantage | Precious Metals Fund | ** | 1,030,454 |
| | | | | 37,424,496 |
| | Money market fund | | | |
| | Federated Investors | Capital Preservation Fund | ** | 2,675,456 |
| | | | | $ 40,099,952 |

**Cost not required for participant-directed investments.

# L & H Company, Inc.
# 401(k) Profit Sharing Plan and Trust

**EIN 36-3097857  PN 002**

## Independent Auditor's Report and Financial Statements

**December 31, 2016 and 2015**

BKD LLP
CPAs & Advisors

# L & H Company, Inc.
# 401(k) Profit Sharing Plan and Trust
### December 31, 2016 and 2015

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BKD LLP
CPAs & Advisors

1901 S. Meyers Road, Suite 500 // Oakbrook Terrace, IL 60181-5209
630.282.9500 // fax 630.282.9495 // bkd.com

# Independent Auditor's Report

Trustees
L & H Company, Inc.
401(k) Profit Sharing Plan and Trust
Oak Brook, Illinois

## Report on the Financial Statements

We were engaged to audit the accompanying financial statements of L & H Company, Inc. 401(k) Profit Sharing Plan and Trust, which comprise the statements of net assets available for benefits as of December 31, 2016 and 2015, the related statement of changes in net assets available for benefits for the year ended December 31, 2016, and the related notes to the financial statements.

## Management's Responsibility for the Financial Statements

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

## Auditor's Responsibility

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

## Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the *Employee Retirement Income Security Act of 1974*, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by MG Trust Company LLC, the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained certifications from the trustee as of December 31, 2016 and 2015, and for the year ended December 31, 2016, that the information provided to the plan administrator by the trustee is complete and accurate.

Praxity
MEMBER
GLOBAL ALLIANCE OF INDEPENDENT FIRMS

## 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 Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2016, is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the *Employee Retirement Income Security Act of 1974* and is presented for the purpose of additional analysis and is 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 this supplemental schedule.

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

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

BKD, LLP

Oakbrook Terrace, Illinois
July 20, 2017

Federal Employer Identification Number: 44-0160260

# L & H Company, Inc.
# 401(k) Profit Sharing Plan and Trust
## Statements of Net Assets Available for Benefits
## December 31, 2016 and 2015

| | 2016 | 2015 |
|---|---|---|
| **Investments, at Fair Value** | | |
| Registered investment companies | $ 37,424,496 | $ 32,861,701 |
| Money market | 2,675,456 | 3,273,431 |
| Total investments, at fair value | 40,099,952 | 36,135,132 |
| **Receivables** | | |
| Participants contributions | - | 51,160 |
| Employer contributions | 2,138,578 | 2,060,932 |
| Total receivables | 2,138,578 | 2,112,092 |
| **Net Assets Available for Benefits** | $ 42,238,530 | $ 38,247,224 |

# L & H Company, Inc.
# 401(k) Profit Sharing Plan and Trust
## Statement of Changes in Net Assets Available for Benefits
## Year Ended December 31, 2016

| | |
|---|---|
| **Additions** | |
| Investment income | |
| Net appreciation in fair value of investments | $ 2,114,609 |
| Interest and dividends | 1,441,970 |
| Total investment income | 3,556,579 |
| Contributions | |
| Participants | 1,561,969 |
| Employer | 2,524,947 |
| Rollovers | 214,836 |
| Total contributions | 4,301,752 |
| Total additions | 7,858,331 |
| **Deductions** | |
| Benefits paid to participants | 3,863,950 |
| Administrative expense | 3,075 |
| Total deductions | 3,867,025 |
| **Net Increase** | 3,991,306 |
| **Net Assets Available for Benefits, Beginning of Year** | 38,247,224 |
| **Net Assets Available for Benefits, End of Year** | $ 42,238,530 |

# L & H Company, Inc.
# 401(k) Profit Sharing Plan and Trust
## Notes to Financial Statements
## December 31, 2016 and 2015

## Note 1: Description of Plan

The following description of L & H Company, Inc. 401(k) Profit Sharing Plan and Trust (Plan) is provided for general information purposes only. Users of these financial statements should refer to the plan document for more complete information.

L & H Company, Inc. and its subsidiaries, Meade Electric Company, Inc.; Traffic Control Corporation and Security Analysts, Inc. (collectively, the Company) are related entities whose employees participate in one plan for investment purposes.

### *General*

The Plan is a defined contribution plan established by L & H Company, Inc. and is subject to the provisions of the *Employee Retirement Income Security Act of 1974* (ERISA), as amended by subsequent legislation.

### *Eligibility*

All employees who have completed a three-month period of service with the Company, as defined in the Plan, except employees covered by a collective bargaining agreement, are eligible to participate with respect to salary reduction contributions and Company-matching contributions.

Full-time or part-time employees who have completed at least one year of consecutive eligibility service, worked 1,000 hours during the plan year, are employed on the last day of the plan year with the Company and have attained age 21, except employees covered by a collective bargaining agreement as defined in the Plan, are eligible to receive a discretionary profit sharing contribution.

Upon enrollment in the Plan, a participant may direct employer and employee contributions and earnings to any combination of various investment options.

### *Contributions*

Each year participants may contribute up to 100% of pre-tax compensation up to Internal Revenue Service limitations (salary reduction contributions), as defined in the Plan, except for participants covered under the Company's deferred compensation plan, which is limited to 7% of pre-tax compensation. Age 50 and over participants can contribute an additional $6,000 in 2016 and 2015. Effective January 1, 2007, the Company amended the Plan to have automatic deferral of 4% of a participant's compensation contributed to the Plan on behalf of the participant. The automatic enrollment applies to all eligible employees unless they elect to defer a different percentage or elect not to participate in the Plan. Amounts deferred under the automatic deferral provisions of the Plan are invested in the John Hancock Balanced Fund.

The Company matches 50% of the first 4% of the participant's contributions. Profit sharing contributions may be made at the discretion of the Company's Board of Directors. Contributions are subject to certain limitations.

Participants may also contribute amounts representing distributions from other qualified plans (rollover contributions).

### *Participant Accounts*

Each participant's account is credited with the participant's salary reduction contribution, rollover contributions and an allocation of the Company's contributions and plan earnings. Allocations are based on the participant's eligible compensation or account balances, as defined in the Plan. The benefit to which a participant is entitled is the benefit that can be provided from the participants vested account.

### *Vesting*

Participants are immediately vested in their salary deferred and rollover contributions, Company-matching contributions plus earnings thereon.

Company discretionary profit sharing contributions and earnings thereon vest in accordance with provisions of the Plan as follows:

| Vesting Years of Service | Percentage Vested |
|---|---|
| 2 | 20% |
| 3 | 40% |
| 4 | 60% |
| 5 | 80% |
| 6 | 100% |

Participants who leave the Plan because of death, early or normal retirement or disability retirement, as defined in the Plan, are considered 100% vested.

### *Participant Loans*

According to the Plan's provisions, participants may not borrow from their fund accounts.

### *Payment of Benefits*

Benefits may be paid to the participant or beneficiary upon death, disability, retirement or termination of employment, as defined in the plan agreement. The Plan provides for normal retirement at age 65 and early retirement or in-service withdrawal on or after attaining age 60 and completing 10 years of service with the Company. The total vested portion of a participant's account balance is distributed in the form of a lump-sum payment or installments. A participant experiencing financial hardship may withdraw a portion of his or her account balance as defined in the Plan.

### *Forfeited Accounts*

Forfeitures are allocated among the accounts of participants in the same proportion that each participant's annual compensation for the plan year bears to the total compensation of all participants for such year. Only participants who have completed a year of service during the plan year and are actively employed on the last day of the plan year are eligible to share in the allocation. During 2016 and 2015, $73,944 and $68,713, respectively, were allocated to participants. At December 31, 2016 and 2015, $9,607 and $20,379, respectively, of forfeited accounts is available for future allocation to participants.

## Note 2: Summary of Significant Accounting Policies

### *Basis of Accounting*

The financial statements of the Plan have been prepared under the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

### *Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United of States of America requires the Plan's management to use estimates and assumptions that affect the accompanying financial statements and disclosures. Actual results could differ from these estimates.

### *Valuation of Investments and Income Recognition*

The Plan's investments in shares of registered investment companies are valued at fair value using quoted market prices. Money market investments are valued at cost which approximates fair value.

The Plan provides for investments that, in general, are exposed to various risks such as interest rate, credit and overall market volatility risks. 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 statements of net assets available for benefits.

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.

### *Payment of Benefits*

Benefits are recorded when paid.

### *Administrative Expenses*

Administrative costs, to the extent not paid by the Plan, are paid by the Company.

### *Change in Accounting Principle*

In 2016, the Plan changed its accounting policy on plan accounting disclosures by adopting the provisions of ASU 2015-12, *Plan Accounting (Topics 960, 962, and 965): Part II: Plan Investment Disclosures*. The accounting policy change provided for in ASU 2015-12 changes the Plan's disclosure requirements to eliminate and/or modify certain investment-related disclosures. This change was applied retrospectively for all periods presented.

## Note 3: Information Certified by the Trustee

The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the *Employee Retirement Income Security Act of 1974*. Accordingly, MG Trust Company LLC, the trustee of the Plan, has certified to the completeness and accuracy of all investments and notes receivable from participants reflected on the accompanying statements of net assets available for benefits as of December 31, 2016 and 2015, and the supplemental schedule of assets (held at end of year) as of December 31, 2016, and all investment income components and interest income from participant notes receivable reflected in the statements of changes in net assets available for benefits for the year ended December 31, 2016.

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

## Note 4: Fair Value Measurements

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. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

**Level 1** Quoted prices in active markets for identical assets or liabilities.

**Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

**Level 3** Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities.

The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. There have been no changes in the methodologies used at December 31, 2016 and 2015.

Registered investment companies are determined by obtaining quoted prices on nationally recognized securities exchanges (Level 1).

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of instruments could result in a different fair value measurement at the reporting date. The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2016 and 2015:

| | | Fair Value Measurements at Reporting Date Using | | |
|---|---|---|---|---|
| | Fair Value | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| December 31, 2016 | | | | |
| Registered investment companies | $ 37,424,496 | $ 37,424,496 | $ - | $ - |
| Money market | 2,675,456 | 2,675,456 | - | - |
| | $ 40,099,952 | $ 40,099,952 | $ - | $ - |
| December 31, 2015 | | | | |
| Registered investment companies | $ 32,861,701 | $ 32,861,701 | $ - | $ - |
| Money market | 3,273,431 | - | 3,273,431 | - |
| | $ 36,135,132 | $ 32,861,701 | $ 3,273,431 | $ - |

## Note 5: Risk and Uncertainties

Investments, in general, are subject to various risks, including credit, interest rate and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in values of investment securities will occur in the near term,

and such changes could materially affect the amounts reported in the statements of net assets available for benefits.

## Note 6: Termination of the Plan

Although it has not expressed any intent to do so, the Company has the right under the Plan to terminate the Plan at any time subject to the provisions of ERISA. In the event of plan termination, participants will become 100% vested in their accounts.

## Note 7: Tax Status

The Plan operates under a standardized adoption agreement in connection with prototype 401(k) profit-sharing plan and trust sponsored by Much Shelist PC. This prototype plan document has been filed with the appropriate agency and has obtained an opinion letter dated March 31, 2014, from the Internal Revenue Service stating that the prototype constitutes a qualified plan under Section 401 of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the opinion letter, the plan administrator believes that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore believes that the Plan is qualified, and the related trust is tax exempt as of the financial statement date.

## Note 8: Party-in-Interest Transactions

UBS acts as the investment advisor to the Plan and, therefore, these transactions qualify as exempt party-in-interest transactions. Investment related expenses are included in net appreciation (depreciation) in fair value of investments.

## Note 9: Subsequent Events

Subsequent events have been evaluated through the date of the Independent Auditor's Report, which is the date the financial statements were available to be issued.

# Supplemental Schedule

# L & H Company, Inc.
# 401(k) Profit Sharing Plan and Trust
## EIN 36-3097857 PN 002
## Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
## December 31, 2016

| (a) | 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 |
|---|---|---|---|---|
| | Registered investment companies | | | |
| | AMG Managers | Fairpoint Mid Cap Fund | ** | $ 2,864,365 |
| | Blackrock | Energy & Resource Fund | ** | 139,812 |
| | Blackrock | S & P Stock Fund | ** | 73,822 |
| | Columbia Seligman | Communication & Information Fund | ** | 814,263 |
| | Comstock Partners | Capital Value Fund | ** | 587,992 |
| | Delaware Foundation | Income Allocation Fund | ** | 395,807 |
| | Dodge & Cox Funds | Balanced Fund | ** | 4,411,463 |
| | Dodge & Cox Funds | International Stock Fund | ** | 1,853,365 |
| | Dodge & Cox Funds | Stock Fund | ** | 3,420,421 |
| | Invesco Van Kampen | Balanced Risk Allocation Fund | ** | 59,924 |
| | Invesco Van Kampen | International Growth Fund | ** | 1,003,193 |
| | Invesco Van Kampen | Small Cap Value Fund | ** | 2,937,971 |
| | Ivy Asset | Strategy Fund | ** | 3,297,679 |
| | John Hancock | Balanced Fund | ** | 1,370,678 |
| | John Hancock | Strategic Income Opportunity Fund - R2 | ** | 1,529,110 |
| | Loomis Sayles | Investment Grade Bond Fund | ** | 2,396,775 |
| | Lord Abbett | Fundamental Equity | ** | 3,088,949 |
| | Lord Abbett | Short Duration Income Fund | ** | 3,057,021 |
| | PIMCO | GNMA Fund | ** | 1,394,683 |
| | Prudential - Jennison | Natural Resources Fund | ** | 178,258 |
| | T. Rowe Price | Retirement 2020 Fund | ** | 50,499 |
| | T. Rowe Price | Retirement 2030 Fund | ** | 101,566 |
| | T. Rowe Price | Retirement 2035 Fund | ** | 65,329 |
| | T. Rowe Price | Retirement 2040 Fund | ** | 118,758 |
| | T. Rowe Price | Retirement 2045 Fund | ** | 1,602 |
| | Voya | Real Estate Fund | ** | 1,180,737 |
| | Wells Fargo Advantage | Precious Metals Fund | ** | 1,030,454 |
| | | | | 37,424,496 |
| | Money market fund | | | |
| | Federated Investors | Capital Preservation Fund | ** | 2,675,456 |
| | | | | $ 40,099,952 |

**Cost not required for participant-directed investments.

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