| Form 5500 | Annual Return/Report of Employee Benefit Plan | OMB Nos. 1210-0110 1210-0089 |
|---|---|---|
| Department of the Treasury Internal Revenue Service<br>Department of Labor Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | 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).<br>▶ **Complete all entries in accordance with the instructions to the Form 5500.** | **2016**<br>**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:
- [x] Form 5558
- [ ] automatic extension
- [ ] the DFVC program
- [ ] special extension (enter description)

## Part II Basic Plan Information—enter all requested information

**1a** Name of plan
QUALITOR, INC. 401K AND PROFIT SHARING PLAN

**1b** Three-digit plan number (PN) ▶ 001

**1c** Effective date of plan 04/30/1999

**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)
QUALITOR, INC.

1840 MCCULLOUGH
LIMA, OH 45801

**2b** Employer Identification Number (EIN) 38-3464466

**2c** Plan Sponsor's telephone number 419-993-8128

**2d** Business code (see instructions) 336300

**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. | 09/26/2017 | TERESA HOLDEN |
| | **Signature of plan administrator** | Date | Enter name of individual signing as plan administrator |
| **SIGN HERE** | Filed with authorized/valid electronic signature. | 09/26/2017 | TERESA HOLDEN |
| | **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** | 150 |
| **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)** | 90 |
| **a(2)** Total number of active participants at the end of the plan year | **6a(2)** | 182 |
| **b** Retired or separated participants receiving benefits | **6b** | 2 |
| **c** Other retired or separated participants entitled to future benefits | **6c** | 69 |
| **d** Subtotal. Add lines **6a(2)**, **6b**, and **6c**. | **6d** | 253 |
| **e** Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. | **6e** | 1 |
| **f** Total. Add lines **6d** and **6e**. | **6f** | 254 |
| **g** Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | 131 |
| **h** Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 10 |
| **7** Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | **7** | |

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

2E 2G 2J 2K 3D 2F

**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)** [X] 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)** [X] 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)** [X] 1 **A** (Insurance Information)
- **(4)** [X] **C** (Service Provider Information)
- **(5)** [X] **D** (DFE/Participating Plan Information)
- **(6)** [ ] **G** (Financial Transaction Schedules)

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

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

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

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

**11c** Enter the Receipt Confirmation Code for the 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 A (Form 5500) | Insurance Information | OMB No. 1210-0110 |
|---|---|---|
| Department of the Treasury Internal Revenue Service<br>Department of Labor 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.**<br>▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2). | **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 | **B** Three-digit plan number (PN) ▶ |
|---|---|
| QUALITOR, INC. 401K AND PROFIT SHARING PLAN | 001 |
| **C** Plan sponsor's name as shown on line 2a of Form 5500 | **D** Employer Identification Number (EIN) |
| QUALITOR, INC. | 38-3464466 |

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

**1** Coverage Information:

**(a)** Name of insurance carrier

VOYA RETIREMENT INSURANCE AND ANNUITY COMPANY

| **(b)** EIN | **(c)** NAIC code | **(d)** Contract or identification number | **(e)** Approximate number of persons covered at end of policy or contract year | Policy or contract year **(f)** From | **(g)** To |
|---|---|---|---|---|---|
| 71-0294708 | 86509 | PHX172 | 254 | 01/01/2016 | 12/31/2016 |

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

| **(a)** Total amount of commissions paid | **(b)** Total amount of fees paid |
|---|---|
| 20937 | 0 |

**3** Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

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

MERRILL LYNCH LIFE AGENCY, INC.
4802 DEER LAKE DR E FL 5
JACKSONVILLE, FL 32246

| **(b)** Amount of sales and base commissions paid | Fees and other commissions paid **(c)** Amount | **(d)** Purpose | **(e)** Organization code |
|---|---|---|---|
| 20937 | | | 3 |

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

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

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

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

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

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

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

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

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

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

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

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

## Part II Investment and Annuity Contract Information

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

| | | | |
|---|---|---|---|
| 4 | Current value of plan's interest under this contract in the general account at year end | 4 | 1889927 |
| 5 | Current value of plan's interest under this contract in separate accounts at year end | 5 | 8535137 |

**6** Contracts With Allocated Funds:

**a** State the basis of premium rates ▶

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

Specify nature of costs ▶

**e** Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity

(3) ☐ other (specify) ▶

**f** If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐

**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

**a** Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee

(3) ☐ guaranteed investment (4) ☒ other ▶ GROUP PENSION FUNDING

| | | | | |
|---|---|---|---|---|
| b | Balance at the end of the previous year | | 7b | 2010248 |
| c | Additions: (1) Contributions deposited during the year | 7c(1) | 55967 | |
| | (2) Dividends and credits | 7c(2) | | |
| | (3) Interest credited during the year | 7c(3) | 57992 | |
| | (4) Transferred from separate account | 7c(4) | | |
| | (5) Other (specify below) | 7c(5) | 7442 | |
| | ▶ * | | | |
| | (6)Total additions | | 7c(6) | 121401 |
| d | Total of balance and additions (add lines **7b** and **7c(6)**). | | 7d | 2131649 |
| e | Deductions: | | | |
| | (1) Disbursed from fund to pay benefits or purchase annuities during year | 7e(1) | 292204 | |
| | (2) Administration charge made by carrier | 7e(2) | 187 | |
| | (3) Transferred to separate account | 7e(3) | 358 | |
| | (4) Other (specify below) | 7e(4) | 7939 | |
| | ▶ * | | | |
| | (5) Total deductions | | 7e(5) | 300688 |
| f | Balance at the end of the current year (subtract line **7e(5)** from line **7d**) | | 7f | 1830961 |

## Part III Welfare Benefit Contract Information

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

**8** Benefit and contract type (check all applicable boxes)

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

| | | | | |
|---|---|---|---|---|
| **9** Experience-rated contracts: | | | | |
| **a** Premiums: (1) Amount received | **9a(1)** | | | |
| (2) Increase (decrease) in amount due but unpaid | **9a(2)** | | | |
| (3) Increase (decrease) in unearned premium reserve | **9a(3)** | | | |
| (4) Earned (**(1)** + **(2)** - **(3)**) | | | **9a(4)** | |
| **b** Benefit charges (1) Claims paid | **9b(1)** | | | |
| (2) Increase (decrease) in claim reserves | **9b(2)** | | | |
| (3) Incurred claims (add **(1)** and **(2)**) | | | **9b(3)** | |
| (4) Claims charged | | | **9b(4)** | |
| **c** Remainder of premium: (1) Retention charges (on an accrual basis) -- | | | | |
| (A) Commissions | **9c(1)(A)** | | | |
| (B) Administrative service or other fees | **9c(1)(B)** | | | |
| (C) Other specific acquisition costs | **9c(1)(C)** | | | |
| (D) Other expenses | **9c(1)(D)** | | | |
| (E) Taxes | **9c(1)(E)** | | | |
| (F) Charges for risks or other contingencies | **9c(1)(F)** | | | |
| (G) Other retention charges | **9c(1)(G)** | | | |
| (H) Total retention | | | **9c(1)(H)** | |
| (2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.) | | | **9c(2)** | |
| **d** Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement | | | **9d(1)** | |
| (2) Claim reserves | | | **9d(2)** | |
| (3) Other reserves | | | **9d(3)** | |
| **e** Dividends or retroactive rate refunds due. (Do not include amount entered in line **9c(2)**.) | | | **9e** | |
| **10** Nonexperience-rated contracts: | | | | |
| **a** Total premiums or subscription charges paid to carrier | | | **10a** | |
| **b** If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount. | | | **10b** | |

Specify nature of costs.

## Part IV Provision of Information

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

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

| SCHEDULE C (Form 5500) | Service Provider Information | OMB No. 1210-0110 |
|---|---|---|
| Department of the Treasury Internal Revenue Service | This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). | 2016 |
| Department of Labor Employee Benefits Security Administration | ▶ **File as an attachment to Form 5500.** | **This Form is Open to Public Inspection.** |
| Pension Benefit Guaranty Corporation | | |

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

**A** Name of plan
QUALITOR, INC. 401K AND PROFIT SHARING PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
QUALITOR, INC.

**D** Employer Identification Number (EIN)
38-3464466

## Part I Service Provider Information (see instructions)

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

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

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

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

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

VOYA RETIREMENT INSURANCE & ANNUITY

71-0294708

**(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)

VOYA RETIREMENT INSURANCE & ANNUITY

71-0294708

| (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 | SERVICE PROVIDER | 1450 | Yes [X] No [ ] | Yes [X] No [ ] | 0 | Yes [ ] No [X] |

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

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

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

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

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

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

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

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

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

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

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

## Part I Service Provider Information (continued)

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

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |

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

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |

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

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |

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

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

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

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

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

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

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

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

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

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

(complete as many entries as needed)

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

| SCHEDULE D (Form 5500) | DFE/Participating Plan Information | OMB No. 1210-0110 |
|---|---|---|
| Department of the Treasury Internal Revenue Service<br>Department of Labor Employee Benefits Security Administration | 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
QUALITOR, INC. 401K AND PROFIT SHARING PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan or DFE sponsor's name as shown on line 2a of Form 5500
QUALITOR, INC.

**D** Employer Identification Number (EIN)
38-3464466

## Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)

(Complete as many entries as needed to report all interests in DFEs)

**a** Name of MTIA, CCT, PSA, or 103-12 IE: VARIABLE ANNUITY ACCOUNT D

**b** Name of sponsor of entity listed in (a): VOYA RETIREMENT INSURANCE & ANNUITY CO

**c** EIN-PN 71-0294708-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 8535137

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**a** Plan name

**b** Name of plan sponsor

**c** EIN-PN

**a** Plan name

**b** Name of plan sponsor

**c** EIN-PN

**a** Plan name

**b** Name of plan sponsor

**c** EIN-PN

**a** Plan name

**b** Name of plan sponsor

**c** EIN-PN

**a** Plan name

**b** Name of plan sponsor

**c** EIN-PN

**a** Plan name

**b** Name of plan sponsor

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**a** Plan name

**b** Name of plan sponsor

**c** EIN-PN

**a** Plan name

**b** Name of plan sponsor

**c** EIN-PN

**a** Plan name

**b** Name of plan sponsor

**c** EIN-PN

**a** Plan name

**b** Name of plan sponsor

**c** EIN-PN

| SCHEDULE H (Form 5500) | Financial Information | OMB No. 1210-0110 |
|---|---|---|
| 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), and section 6058(a) of the Internal Revenue Code (the Code).<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
QUALITOR, INC. 401K AND PROFIT SHARING PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
QUALITOR, INC.

**D** Employer Identification Number (EIN)
38-3464466

## Part I Asset and Liability Statement

**1** Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

| Assets | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **a** Total noninterest-bearing cash | 1a | | |
| **b** Receivables (less allowance for doubtful accounts): | | | |
| **(1)** Employer contributions | 1b(1) | | |
| **(2)** Participant contributions | 1b(2) | | |
| **(3)** Other | 1b(3) | | |
| **c** General investments: | | | |
| **(1)** Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | | |
| **(2)** U.S. Government securities | 1c(2) | | |
| **(3)** Corporate debt instruments (other than employer securities): | | | |
| **(A)** Preferred | 1c(3)(A) | | |
| **(B)** All other | 1c(3)(B) | | |
| **(4)** Corporate stocks (other than employer securities): | | | |
| **(A)** Preferred | 1c(4)(A) | | |
| **(B)** Common | 1c(4)(B) | | |
| **(5)** Partnership/joint venture interests | 1c(5) | | |
| **(6)** Real estate (other than employer real property) | 1c(6) | | |
| **(7)** Loans (other than to participants) | 1c(7) | | |
| **(8)** Participant loans | 1c(8) | 112957 | 87907 |
| **(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) | 8707786 | 8535137 |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | 2010248 | 1830961 |
| **(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 | 10830991 | 10454005 |
| **Liabilities** | | | |
| **g** Benefit claims payable | 1g | | |
| **h** Operating payables | 1h | | |
| **i** Acquisition indebtedness | 1i | | |
| **j** Other liabilities | 1j | | |
| **k** Total liabilities (add all amounts in lines 1g through1j) | 1k | 0 | 0 |
| **Net Assets** | | | |
| **l** Net assets (subtract line 1k from line 1f) | 1l | 10830991 | 10454005 |

## 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) | 140084 | |
| **(B)** Participants | 2a(1)(B) | 374695 | |
| **(C)** Others (including rollovers) | 2a(1)(C) | | |
| **(2)** Noncash contributions | 2a(2) | | |
| **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 514779 |
| **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) | 4999 | |
| **(F)** Other | 2b(1)(F) | 57992 | |
| **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 62991 |
| **(2)** Dividends: **(A)** Preferred stock | 2b(2)(A) | | |
| **(B)** Common stock | 2b(2)(B) | | |
| **(C)** Registered investment company shares (e.g. mutual funds) | 2b(2)(C) | | |
| **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | 0 |
| **(3)** Rents | 2b(3) | | |
| **(4)** Net gain (loss) on sale of assets: **(A)** Aggregate proceeds | 2b(4)(A) | | |
| **(B)** Aggregate carrying amount (see instructions) | 2b(4)(B) | | |
| **(C)** Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result | 2b(4)(C) | | 0 |
| **(5)** Unrealized appreciation (depreciation) of assets: **(A)** Real estate | 2b(5)(A) | | |
| **(B)** Other | 2b(5)(B) | | |
| **(C)** Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)** | 2b(5)(C) | | 0 |

| | | (a) Amount | (b) Total |
|---|---|---|---|
| (6) Net investment gain (loss) from common/collective trusts | 2b(6) | | |
| (7) Net investment gain (loss) from pooled separate accounts | 2b(7) | | 803137 |
| (8) Net investment gain (loss) from master trust investment accounts | 2b(8) | | |
| (9) Net investment gain (loss) from 103-12 investment entities | 2b(9) | | |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) | 2b(10) | | |
| c Other income | 2c | | 1452 |
| d Total income. Add all **income** amounts in column (b) and enter total | 2d | | 1382359 |
| **Expenses** | | | |
| e Benefit payment and payments to provide benefits: | | | |
| (1) Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 1710969 | |
| (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) | | 1710969 |
| f Corrective distributions (see instructions) | 2f | | |
| g Certain deemed distributions of participant loans (see instructions) | 2g | | 46926 |
| h Interest expense | 2h | | |
| i Administrative expenses: (1) Professional fees | 2i(1) | | |
| (2) Contract administrator fees | 2i(2) | | |
| (3) Investment advisory and management fees | 2i(3) | | |
| (4) Other | 2i(4) | 1450 | |
| (5) Total administrative expenses. Add lines **2i(1)** through **(4)** | 2i(5) | | 1450 |
| j Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 1759345 |
| **Net Income and Reconciliation** | | | |
| k Net income (loss). Subtract line **2j** from line **2d** | 2k | | -376986 |
| 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: GRANT THORNTON LLP **(2)** EIN: 03-6605558

**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 | | 3000000 |
| 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 | X | | |
| 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) | Retirement Plan Information | OMB No. 1210-0110 |
|---|---|---|
| Department of the Treasury Internal Revenue Service<br>Department of Labor Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | 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).<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
QUALITOR, INC. 401K AND PROFIT SHARING PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
QUALITOR, INC.

**D** Employer Identification Number (EIN)
38-3464466

## 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): 71-0294708 _____

**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 _____/_____/_____.

Financial Statements and Report of Independent Certified Public Accountants

# Qualitor, Inc. 401(k) and Profit Sharing Plan

December 31, 2016 and 2015

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Grant Thornton

# REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

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To the Plan Administrator
Qualitor, Inc. 401(k) and Profit Sharing Plan

## Report on the financial statements

We were engaged to audit the accompanying financial statements of Qualitor, Inc. 401(k) and Profit Sharing Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2016 and 2015, and 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 the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

## Basis for disclaimer of opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the certified information described in Note C, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan administrator that the certifying entity meets the requirements of 29 CFR 2520.103-8. The Plan administrator obtained a certification from this entity as of December 31, 2016 and 2015, and for the year ended December 31, 2016, stating that the certified information provided to the Plan administrator is complete and accurate.

## Disclaimer of opinion

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

## Supplementary information

The supplemental schedule, Schedule H, Part IV, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2016, is presented for purposes of additional analysis and is not a required part of the financial statements, but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental 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 schedules, other than that derived from the certified information described in Note C, 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.

Grant Thornton LLP

Southfield, Michigan
September 20, 2017

## Qualitor, Inc. 401(k) and Profit Sharing Plan

## Statements of Net Assets Available for Benefits

## As of December 31,

| | 2016 | 2015 |
|---|---|---|
| **Assets:** | | |
| Investments at fair value | $ 8,535,137 | $ 8,707,787 |
| Investments at contract value | 1,830,961 | 2,010,248 |
| **Total investments** | 10,366,098 | 10,718,035 |
| **Receivables:** | | |
| Participant contributions | 7,199 | 6,074 |
| Employer contributions | 37,483 | 1,632 |
| Notes receivable from participants | 132,064 | 112,956 |
| Transfer in from MIS II, LLC 401(k) Plan | 538,839 | - |
| **Total receivables** | 715,585 | 120,662 |
| **Net assets available for benefits** | $11,081,683 | $10,838,697 |

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

## Qualitor, Inc. 401(k) and Profit Sharing Plan

## Statement of Changes in Net Assets Available for Benefits

## For the Year Ended December 31, 2016

| | |
|---|---|
| **Additions:** | |
| Investment income: | |
| Net appreciation in fair value of investments | $ 801,657 |
| Interest and dividend income | 57,992 |
| Net investment income | 859,649 |
| Interest income on notes receivable from participants | 4,999 |
| Contributions: | |
| Participant contributions | 375,820 |
| Employer contributions | 175,935 |
| Total contributions | 551,755 |
| Total additions | 1,416,403 |
| **Deductions:** | |
| Benefits paid to participants | 1,710,806 |
| Administrative expenses | 1,450 |
| Total deductions | 1,712,256 |
| Net decrease | (295,853) |
| Transfer in from MIS II, LLC 401(k) Plan | 538,839 |
| **Net assets available for benefits** | |
| Beginning of year | 10,838,697 |
| End of year | $11,081,683 |

**The accompanying notes are an integral part of this financial statement.**

## Note A – Description of Plan

The following description of the Qualitor, Inc. 401(k) and Profit Sharing Plan (the "Plan") provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

### *General*

The Plan is a defined contribution plan covering all employees of the Qualitor, Inc. (the "Company") and its wholly owned subsidiaries except nonresident aliens, leased employees, employees at International Brake Industries, Inc. covered by a collective bargaining agreement, employees shown on the Company's records as "temporary status", and employees who do not complete 1,000 hours of service during an eligibility computation period (unless shown on the Company's records as permanent part-time employees). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). The Plan administrator determines the appropriateness of the Plan's investment offerings and monitors investment performance.

### *Contributions*

Each year, participants may contribute up to 100 percent of pretax annual compensation, as defined by the Plan. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contributions plans (rollover). Participants direct the investment of their contributions into various investment options offered by the Plan. The Company contributes 50 percent of the first 6 percent of base compensation that a participant contributes to the Plan, except for participating employees of McGuane Industries covered by a collective bargaining agreement, whom do not receive employer matching contributions. Additional profit sharing amounts may be contributed at the option of the Company. The Company may also make additional discretionary profit sharing contributions to employees of certain divisions, in accordance with the Plan document and amendments. As of December 31, 2016 there were discretionary profit sharing contributions in the amount of $35,851 related to International Brake Industries, Inc. for the year ended 2016. Profit sharing contributions are recorded and paid annually. Contributions are subject to certain Internal Revenue Service ("IRS") limitations.

### *Participant accounts*

Each participant's account is credited with the participant's contributions and Company matching contributions, as well as allocations of the Company's profit sharing contribution and Plan earnings. Participant accounts are charged with an allocation of administrative expenses. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

### *Vesting*

Participants are vested immediately in their contributions plus actual earnings thereon. Vesting in the Company's contribution portion of their accounts is based on years of continuous service. In all other entities, participating employees hired before January 1, 2008 are 100 percent vested in employer nonelective profit sharing contributions and employer matching contributions after two

**Note A – Description of Plan (Continued)**

years of credited service. All other employees are 100 percent vested in employer contributions after five years of credited service based on the vesting schedule below:

| Vesting Schedule | |
|---|---|
| **Years of Service** | **Percentage** |
| 1 year | 20% |
| 2 years | 40% |
| 3 years | 60% |
| 4 years | 80% |
| 5 years | 100% |

***Notes receivable from participants***

Participants may borrow from their fund accounts, a minimum of $1,000 up to a maximum equal to the lesser of $50,000, or 50 percent of their account balance. At any one time, the maximum number of Plan loans a participant may have outstanding is one. The loans are secured by the balance in the participant's account. The loan interest rate, determined quarterly, is equal to Prime plus one percent. The terms of the loan may not exceed five years, with the exception for loans for primary residences, and principal and interest is paid ratably through monthly payroll deductions.

***Payment of benefits***

On termination of service due to death, disability, or retirement, a participant may elect to receive either a lump sum amount equal to the value of the participant's vested interest in his or her account, or annual installments over a period not to exceed the participant's or beneficiary's expected life. For termination of service for other reasons, a participant may receive the value of the vested interest in his or her account as a lump sum distribution.

***Forfeited accounts***

At December 31, 2016 and 2015, forfeited non-vested accounts totaled $1,626 and $23, respectively. These accounts will be used to reduce future employer contributions. During 2016, employer contributions were reduced from forfeited non-vested accounts by $6,461.

***Transfers***

On December 31, 2016, an aggregate of approximately $538,839 of assets from the MIS II LLC, 401(k) and Retirement Plan was merged into the Plan. This is included as a separate line item on the Statements of Net Assets Available for Benefits and the Statement of Changes in Net Assets Available for Plan Benefits.

## Note B – Summary of Accounting Policies

### *Basis of Accounting*

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

Contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. The Statements of Net Assets Available for Benefits presents the contract value of the fully benefit-responsive investment contracts. The Statement of Changes in Net Assets Available for Benefits is prepared using the contract value basis for fully benefit-responsive investment contracts.

### *Use of Estimates*

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

### *Investment Valuation and Income Recognition*

With the exception of the Plan's investment in the Guaranteed Investments Contract described in Note E, investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's Administrative Committee determines the Plan's valuation policies utilizing information provided by the investment advisers and Voya Financial ("Trustee"). See Note D for discussion of fair value measurements.

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

### *Notes receivable from participants*

Notes receivable from participants are measured at their unpaid balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2016 or 2015. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

### *Payment of Benefits*

Benefits are recorded when paid.

## Note B – Summary of Accounting Policies (Continued)

### *Expenses*

Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Transactional expenses are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net appreciation of fair value of investments.

### *Subsequent Events*

The Plan has evaluated subsequent events through September 20, 2017 the date the financial statements were available to be issued. Effective January 1, 2017, the Plan changed trustees to Fidelity Management Trust Company. The Plan did not identify any other events that required recognition or disclosures in the financial statements.

## Note C – Information Certified by Trustee

The Plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the Trustee, Voya Institutional Trust Company, certified that the following data included in the accompanying financial statements and supplemental schedule is complete and accurate:

- Total investments as shown in the statements of net assets available for benefits as of December 31, 2016 and 2015.
- Investment income as shown in the statement of changes in net assets available for benefits for the year ended December 31, 2016
- Schedule H, Part IV, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2016.

The Plan's independent accountants 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 schedules.

## Note D – Fair Value Measurements

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

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

**Note D – Fair Value Measurements (Continued)**

Level 2 Inputs to the valuation methodology include

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

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

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

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

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2016 and 2015.

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

*Pooled separate accounts:* Unit value is calculated based on the NAV underlying pool of securities with quoted prices in active markets.

**Note D – Fair Value Measurements (Continued)**

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:

| | Assets at Fair Value as of December 31, 2016 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Money market fund | $ 1,626 | $ - | $ - | $ 1,626 |
| Mututal funds | 7,432,231 | - | - | 7,432,231 |
| Total assets in the fair value hierarchy | $7,433,857 | $ - | $ - | $7,433,857 |
| Investments measured at NAV: Pooled separate accounts(a) | | | | 1,101,280 |
| Investments at fair value | | | | $8,535,137 |

| | Assets at Fair Value as of December 31, 2015 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Money market fund | $ 23 | $ - | $ - | $ 23 |
| Mututal funds | 7,740,921 | - | - | 7,740,921 |
| Total assets in the fair value hierarchy | $7,740,944 | $ - | $ - | $7,740,944 |
| Investments measured at NAV: Pooled separate accounts(a) | | | | 966,843 |
| Investments at fair value | | | | $8,707,787 |

(a) The pooled separate accounts are measured at fair value using NAV and have not been classified in the fair value hierarchy

## Note D – Fair Value Measurements (Continued)

### Fair Value of Investments that Use NAV

The following table summarizes investments measured at fair value based on NAV per share as of December 31, 2016 and 2015, respectively.

| December 31, 2016 | Fair Value | Unfunded Commitments | Expected Liquidation Term | Redemption Terms | Redemption Restrictions |
|---|---|---|---|---|---|
| Target Date Funds (a) | $1,101,280 | $ - | - | Immediate | None |

| December 31, 2015 | Fair Value | Unfunded Commitments | Expected Liquidation Term | Redemption Terms | Redemption Restrictions |
|---|---|---|---|---|---|
| Target Date Funds (a) | $966,843 | $ - | - | Immediate | None |

(a) Target-date funds' asset allocation mix typically provides exposure to return-seeking assets, such as equities, in early years when risk capacity is higher, and becomes increasingly conservative as time progresses with exposure switched progressively towards capital-preservation assets, such as government- and index-linked bonds.

## Note E – Guaranteed Investment Contract with Voya Financial

In 2003, the Plan entered into a benefit-responsive guaranteed investment contract with ING Life Insurance and Annuity Company ("ING"), currently known as Voya Financial. Voya maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The contract is a single group annuity contract with a fixed rate of interest. The average yield earned by the Plan is the yield earned (i.e., interest credited) on the group annuity contract.

This Contract meets the fully benefit-responsive investments contract criteria and therefore is reported at contract value. Contract value is the relevant measure for fully benefit-responsive investments contracts because this is the amount received by participants if they were to initiate permitted transactions under the terms of the Plan. Contract value, as reported to the Plan by Voya, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

**Note E – Guaranteed Investment Contract with Voya Financial (Continued)**

There are no reserves against contract value for credit risk of the contract issuer or otherwise. The crediting interest rate is based on a formula agreed upon with the issuer, but it may not be less than 3 percent. Such interest rates are reviewed on an annual basis for resetting.

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include (1) amendments to the Plan documents (including complete or partial Plan termination or merger with another plan), (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Plan sponsor or other Plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA. The Plan has no unfunded commitments. The Plan administrator believes that any events that would limit the Plan's ability to transact at contract value with participants are not probable.

The guaranteed investment contract does permit the insurance company to terminate the agreement prior to the scheduled maturity date.

**Note F – Related-Party Transactions and Party In Interest Transactions**

Certain Plan investments are shares of mutual funds and a guaranteed interest account managed by the Trustee as defined by the Plan and, therefore, these transactions qualify as party in interest transactions. The Plan Sponsor pays directly some fees related to the plan's operations.

**Note G – Plan Termination**

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100 percent vested in their employer contributions.

**Note H – Tax Status**

On September 1, 2014, the Internal Revenue Service ("IRS") stated that the prototype adopted by the Plan as then designed, is in accordance with the applicable sections of the Internal Revenue Code ("IRC") and is exempt from federal income tax. The Plan has not received a determination letter specific to the Plan itself. The Plan Administrator believes that the Plan is designed and is currently being operated, in all material respects, in compliance with the applicable requirements of the IRC and therefore believes that the Plan is qualified and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the plan and recognize a tax liability if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

## Note I – Risks and Uncertainties

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

## Note J – Accounting Standards Update

In May 2015, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2015-07, "Fair Value Measurement (Topic 820): Disclosure for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)" ("ASU 2015-07"), which updated guidance related to fair value measurement and the disclosures for investments in certain entities that calculate net asset value ("NAV") per share (or its equivalent). The updated guidance applies to reporting entities that elect to measure the fair value of certain investments valued using the NAV per share (or its equivalent) of the investment as a practical expedient. Currently, investments using the practical expedient are categorized within the fair value hierarchy on the basis of when the investment is redeemable with the investee at NAV. The amendments remove the requirement to categorize within the fair value hierarchy all investments for which fair value is measures using the NAV per share practical expedient. The amendments are effective for the Plan for fiscal years beginning after December 15, 2016 and shall apply retrospectively to all periods presented.

Management retrospectively adopted ASU 2015-07 on December 31, 2016. As a result of the adoption, assets using the NAV per share method were removed from the fair value hierarchies at December 31, 2016 and 2015. The value of these assets have been separately presented to permit reconciliation to total plan assets.

In July 2015, the FASB issued ASU 2015-12, "Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965)" ("ASU 2015-12"). Part I of ASU 2015-12 eliminates the requirements that employee benefit plans measure the fair value of fully benefit-responsive investment contracts and provide the related fair value disclosures, rather these contracts will be measured and disclosed only at contract value. Part II of ASU 2015-12 requires plans to disaggregate their investments measured using fair value only by general type, either on the financial statements or in the notes. Part II also eliminates the requirement to disclose the net appreciation/depreciation in fair value of investments by general type and the requirements to disclose individual investments that represent 5% or more of net assets available for benefits. Part III of ASU 2015-12 provides a practical expedient to permit plans to measure their investments and investment related accounts as of a month-end date closest to their fiscal year for plans with a fiscal year end that does not coincide with the end of a calendar month. The amendments in ASU 2015-12 are effective for reporting periods beginning after December 15, 2015, with early adoption permitted.

**Note J – Accounting Standards Update**

Accordingly, the amendments were retrospectively applied in the notes to the financial statements. As a result of the retrospective adoption of Part I and II of this standard, fully benefit-responsive investment contracts are disclosed at contract value, the disclosures for individual investments greater than 5 percent of net assets and the aggregation of net appreciation (depreciation) by type of investment in the Plan's investments disclosure were removed and investments have been grouped investments only by general type, as opposed to disaggregating by nature and risk. Part III is not applicable to this Plan.

**Note K – Reconciliation of Financial Statements to Form 5500**

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2016 to Form 5500:

| | 2016 | 2015 |
|---|---|---|
| Net assets available for benefits per the financial statements | $11,081,683 | $10,838,697 |
| Less: Participant and employer contributions receivable | (44,682) | (7,706) |
| Less: Transfer in from MIS II, LLC 401(k) Plan | (538,839) | - |
| Less: Deemed loans | (44,157) | - |
| Net assets available for benefits per the Form 5500 | $10,454,005 | $10,830,991 |

**Note K – Reconciliation of Financial Statements to Form 5500**

The following is a reconciliation of the net decrease in assets available for benefits per the financial statements for the year ended December 31, 2016 to net increase per the Form 5500:

| | 2016 |
|---|---|
| Total net increase (decrease) in assets available for benefits per the financial statements | $(295,853) |
| Participant and employer Contributions receivable at December 31, 2016 | (44,682) |
| Participant and employer Contributions receivable at December 31, 2015 | 7,706 |
| Deemed loans | (44,157) |
| Total net decrease per the Form 5500 | $(376,986) |

# Supplemental Schedule

# Qualitor, Inc. 401(k) and Profit Sharing Plan

## Schedule H, Part IV, Line 4i – Schedule of Assets (Held at End of Year)

## As of December 31, 2016

| Identity of Issue, Borrow or Similar Party | Description of Investments | Cost | Current Value |
|---|---|---|---|
| | **Money market fund** | | |
| *Voya National Trust | Voya Money Market Portfolio 1 | ** | $ 1,626 |
| | **Mutual funds** | | |
| Fidelity Funds | Fidelity VIP Contrafund Port-1 | ** | 1,208,061 |
| American Funds | American Funds Income Funds of America R3 | ** | 971,577 |
| *Voya National Trust | Voya Russell Large Cap Index Port 1 | ** | 867,781 |
| Franklin/Templeton Funds | Templeton Growth Fund | ** | 658,662 |
| American Funds | American Funds Growth Fund R3 | ** | 545,389 |
| *Voya National Trust | Voya Index Intermediate Bond Portfolio Fund | ** | 409,765 |
| *Voya National Trust | Voya Columbia Contrarian Core Port 1 | ** | 510,660 |
| Lord Abbett Funds | Lord Abbett Affiliated Fund – Class A | ** | 553,319 |
| *Voya National Trust | Voya Russell Mid Cap Index Port 1 | ** | 476,816 |
| Franklin/Templeton Funds | Templeton Foreign Fund | ** | 307,670 |
| *Voya National Trust | Voya Russell Small Cap Index Port 1 | ** | 480,729 |
| Franklin/Templeton Funds | Loomis Sayles Bond Fund – Retail | ** | 87,551 |
| Franklin/Templeton Funds | Pioneer High Yield Fund – Class Y | ** | 354,252 |
| | **Pooled separate accounts** | | |
| *Voya National Trust | Voya Solution 2035 Port-Adv Fund | ** | 443,333 |
| *Voya National Trust | Voya Solution 2045 Port-Adv Fund | ** | 222,937 |
| *Voya National Trust | Voya Solution 2025 Port-Adv Fund | ** | 189,902 |
| *Voya National Trust | Voya Solution 2020 Port-Adv Fund | ** | 41,150 |
| *Voya National Trust | Voya Solution 2055 Port-Adv Fund | ** | 102,150 |
| *Voya National Trust | Voya Solution Income Port Adv Fund | ** | 86,292 |
| *Voya National Trust | Voya Solution 2030 Port-Adv Fund | ** | 10,372 |
| *Voya National Trust | Voya Solution 2040 Port-Adv Fund | ** | 2,238 |
| *Voya National Trust | Voya Solution 2060 Port-Adv Fund | ** | 2,905 |
| | **Guaranteed interest account** | | |
| *Voya National Trust | Voya Fixed Account | ** | 1,830,961 |
| | **Notes receivable from participants** | | |
| *Participants | Loans (rates of 4.25% to 4.50%) | ** | 132,064 |
| | | | $10,498,162 |

* Parties-in-interest.

** Cost information is omitted with respect to participant or beneficiary directed transactions under an individual account plan.

**Attachment to 2016 Form 5500**

## Schedule H, line 4i - Schedule of Assets

**(Held at End of Year)**

**Qualitor, Inc. 401(k) & Profit Sharing Plan**

**EIN#38-3464466**

**Plan#001**

**As Of December 31, 2016**

| (a) | (b) Identity of issue, borrower, lessor or similar party | (c) Description of investments including maturity date, rate of interest, collateral, par, or maturity date | (d)Cost | (e) Current Value |
|---|---|---|---|---|
| | American Funds Growth Fnd R3 | Registered Investment Company | | $545,389 |
| | American Funds Income Fnd R3 | Registered Investment Company | | $971,577 |
| | Fidelity VIP Contrafund Pt I | Registered Investment Company | | $1,208,061 |
| | Loomis Sayles Bond Fund Ret | Registered Investment Company | | $87,551 |
| | Lord Abbett Affiliated Fund A | Registered Investment Company | | $553,319 |
| | Pioneer High Yield Fund Y | Registered Investment Company | | $354,252 |
| | Templeton Foreign Fund A | Registered Investment Company | | $307,670 |
| | Templeton Growth Fund A | Registered Investment Company | | $658,662 |
| * | Voya Fixed Account | Registered Investment Company | | $1,830,961 |
| * | Voya Gov Money Market Port I | Registered Investment Company | | $1,626 |
| * | Voya Intermediate Bond Prt I | Registered Investment Company | | $409,765 |
| * | Voya Russell LgCp Indx Prt I | Registered Investment Company | | $867,781 |
| * | Voya Russell MdCp Indx Prt I | Registered Investment Company | | $476,816 |
| * | Voya Russell SmCp Indx Prt I | Registered Investment Company | | $480,729 |
| * | Voya Solution 2020 Port Adv | Registered Investment Company | | $41,150 |
| * | Voya Solution 2025 Port Adv | Registered Investment Company | | $189,902 |
| * | Voya Solution 2030 Port Adv | Registered Investment Company | | $10,372 |
| * | Voya Solution 2035 Port Adv | Registered Investment Company | | $443,334 |
| * | Voya Solution 2040 Port Adv | Registered Investment Company | | $2,238 |
| * | Voya Solution 2045 Port Adv | Registered Investment Company | | $222,937 |
| * | Voya Solution 2055 Port Adv | Registered Investment Company | | $102,150 |
| * | Voya Solution 2060 Port Adv | Registered Investment Company | | $2,905 |
| * | Voya Solution Income Pt Adv | Registered Investment Company | | $86,292 |
| * | VY Col Contr Core Port I | Registered Investment Company | | $510,661 |
| | Participant Loans - Rates 4.50% to 4.50% | Registered Investment Company | | $87,907 |
| | TOTAL | Registered Investment Company | | $10,454,005 |

* denotes party-in-interest

Column (d) is not required as the Plan's investments are totally participant directed.

Financial Statements and Report of Independent Certified Public Accountants

# Qualitor, Inc. 401(k) and Profit Sharing Plan

December 31, 2016 and 2015

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Grant Thornton

# REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

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To the Plan Administrator
Qualitor, Inc. 401(k) and Profit Sharing Plan

## Report on the financial statements

We were engaged to audit the accompanying financial statements of Qualitor, Inc. 401(k) and Profit Sharing Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2016 and 2015, and 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 the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

## Basis for disclaimer of opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the certified information described in Note C, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan administrator that the certifying entity meets the requirements of 29 CFR 2520.103-8. The Plan administrator obtained a certification from this entity as of December 31, 2016 and 2015, and for the year ended December 31, 2016, stating that the certified information provided to the Plan administrator is complete and accurate.

## Disclaimer of opinion

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

## Supplementary information

The supplemental schedule, Schedule H, Part IV, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2016, is presented for purposes of additional analysis and is not a required part of the financial statements, but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental 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 schedules, other than that derived from the certified information described in Note C, 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.

Grant Thornton LLP

Southfield, Michigan
September 20, 2017

## Qualitor, Inc. 401(k) and Profit Sharing Plan

## Statements of Net Assets Available for Benefits

## As of December 31,

| | 2016 | 2015 |
|---|---|---|
| **Assets:** | | |
| Investments at fair value | $ 8,535,137 | $ 8,707,787 |
| Investments at contract value | 1,830,961 | 2,010,248 |
| **Total investments** | 10,366,098 | 10,718,035 |
| **Receivables:** | | |
| Participant contributions | 7,199 | 6,074 |
| Employer contributions | 37,483 | 1,632 |
| Notes receivable from participants | 132,064 | 112,956 |
| Transfer in from MIS II, LLC 401(k) Plan | 538,839 | - |
| **Total receivables** | 715,585 | 120,662 |
| **Net assets available for benefits** | $11,081,683 | $10,838,697 |

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

## Qualitor, Inc. 401(k) and Profit Sharing Plan

## Statement of Changes in Net Assets Available for Benefits

## For the Year Ended December 31, 2016

| | |
|---|---|
| **Additions:** | |
| Investment income: | |
| Net appreciation in fair value of investments | $ 801,657 |
| Interest and dividend income | 57,992 |
| Net investment income | 859,649 |
| Interest income on notes receivable from participants | 4,999 |
| Contributions: | |
| Participant contributions | 375,820 |
| Employer contributions | 175,935 |
| Total contributions | 551,755 |
| Total additions | 1,416,403 |
| **Deductions:** | |
| Benefits paid to participants | 1,710,806 |
| Administrative expenses | 1,450 |
| Total deductions | 1,712,256 |
| Net decrease | (295,853) |
| Transfer in from MIS II, LLC 401(k) Plan | 538,839 |
| **Net assets available for benefits** | |
| Beginning of year | 10,838,697 |
| End of year | $11,081,683 |

**The accompanying notes are an integral part of this financial statement.**

## Note A – Description of Plan

The following description of the Qualitor, Inc. 401(k) and Profit Sharing Plan (the "Plan") provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

### *General*

The Plan is a defined contribution plan covering all employees of the Qualitor, Inc. (the "Company") and its wholly owned subsidiaries except nonresident aliens, leased employees, employees at International Brake Industries, Inc. covered by a collective bargaining agreement, employees shown on the Company's records as "temporary status", and employees who do not complete 1,000 hours of service during an eligibility computation period (unless shown on the Company's records as permanent part-time employees). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). The Plan administrator determines the appropriateness of the Plan's investment offerings and monitors investment performance.

### *Contributions*

Each year, participants may contribute up to 100 percent of pretax annual compensation, as defined by the Plan. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contributions plans (rollover). Participants direct the investment of their contributions into various investment options offered by the Plan. The Company contributes 50 percent of the first 6 percent of base compensation that a participant contributes to the Plan, except for participating employees of McGuane Industries covered by a collective bargaining agreement, whom do not receive employer matching contributions. Additional profit sharing amounts may be contributed at the option of the Company. The Company may also make additional discretionary profit sharing contributions to employees of certain divisions, in accordance with the Plan document and amendments. As of December 31, 2016 there were discretionary profit sharing contributions in the amount of $35,851 related to International Brake Industries, Inc. for the year ended 2016. Profit sharing contributions are recorded and paid annually. Contributions are subject to certain Internal Revenue Service ("IRS") limitations.

### *Participant accounts*

Each participant's account is credited with the participant's contributions and Company matching contributions, as well as allocations of the Company's profit sharing contribution and Plan earnings. Participant accounts are charged with an allocation of administrative expenses. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

### *Vesting*

Participants are vested immediately in their contributions plus actual earnings thereon. Vesting in the Company's contribution portion of their accounts is based on years of continuous service. In all other entities, participating employees hired before January 1, 2008 are 100 percent vested in employer nonelective profit sharing contributions and employer matching contributions after two

**Note A – Description of Plan (Continued)**

years of credited service. All other employees are 100 percent vested in employer contributions after five years of credited service based on the vesting schedule below:

| Vesting Schedule | |
|---|---|
| **Years of Service** | **Percentage** |
| 1 year | 20% |
| 2 years | 40% |
| 3 years | 60% |
| 4 years | 80% |
| 5 years | 100% |

***Notes receivable from participants***

Participants may borrow from their fund accounts, a minimum of $1,000 up to a maximum equal to the lesser of $50,000, or 50 percent of their account balance. At any one time, the maximum number of Plan loans a participant may have outstanding is one. The loans are secured by the balance in the participant's account. The loan interest rate, determined quarterly, is equal to Prime plus one percent. The terms of the loan may not exceed five years, with the exception for loans for primary residences, and principal and interest is paid ratably through monthly payroll deductions.

***Payment of benefits***

On termination of service due to death, disability, or retirement, a participant may elect to receive either a lump sum amount equal to the value of the participant's vested interest in his or her account, or annual installments over a period not to exceed the participant's or beneficiary's expected life. For termination of service for other reasons, a participant may receive the value of the vested interest in his or her account as a lump sum distribution.

***Forfeited accounts***

At December 31, 2016 and 2015, forfeited non-vested accounts totaled $1,626 and $23, respectively. These accounts will be used to reduce future employer contributions. During 2016, employer contributions were reduced from forfeited non-vested accounts by $6,461.

***Transfers***

On December 31, 2016, an aggregate of approximately $538,839 of assets from the MIS II LLC, 401(k) and Retirement Plan was merged into the Plan. This is included as a separate line item on the Statements of Net Assets Available for Benefits and the Statement of Changes in Net Assets Available for Plan Benefits.

## Note B – Summary of Accounting Policies

### *Basis of Accounting*

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

Contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. The Statements of Net Assets Available for Benefits presents the contract value of the fully benefit-responsive investment contracts. The Statement of Changes in Net Assets Available for Benefits is prepared using the contract value basis for fully benefit-responsive investment contracts.

### *Use of Estimates*

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

### *Investment Valuation and Income Recognition*

With the exception of the Plan's investment in the Guaranteed Investments Contract described in Note E, investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's Administrative Committee determines the Plan's valuation policies utilizing information provided by the investment advisers and Voya Financial ("Trustee"). See Note D for discussion of fair value measurements.

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

### *Notes receivable from participants*

Notes receivable from participants are measured at their unpaid balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2016 or 2015. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

### *Payment of Benefits*

Benefits are recorded when paid.

## Note B – Summary of Accounting Policies (Continued)

### *Expenses*

Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Transactional expenses are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net appreciation of fair value of investments.

### *Subsequent Events*

The Plan has evaluated subsequent events through September 20, 2017 the date the financial statements were available to be issued. Effective January 1, 2017, the Plan changed trustees to Fidelity Management Trust Company. The Plan did not identify any other events that required recognition or disclosures in the financial statements.

## Note C – Information Certified by Trustee

The Plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the Trustee, Voya Institutional Trust Company, certified that the following data included in the accompanying financial statements and supplemental schedule is complete and accurate:

- Total investments as shown in the statements of net assets available for benefits as of December 31, 2016 and 2015.
- Investment income as shown in the statement of changes in net assets available for benefits for the year ended December 31, 2016
- Schedule H, Part IV, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2016.

The Plan's independent accountants 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 schedules.

## Note D – Fair Value Measurements

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

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

**Note D – Fair Value Measurements (Continued)**

Level 2 Inputs to the valuation methodology include

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

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

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

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

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2016 and 2015.

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

*Pooled separate accounts:* Unit value is calculated based on the NAV underlying pool of securities with quoted prices in active markets.

**Note D – Fair Value Measurements (Continued)**

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:

| | Assets at Fair Value as of December 31, 2016 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Money market fund | $ 1,626 | $ - | $ - | $ 1,626 |
| Mututal funds | 7,432,231 | - | - | 7,432,231 |
| Total assets in the fair value hierarchy | $7,433,857 | $ - | $ - | $7,433,857 |
| Investments measured at NAV: Pooled separate accounts(a) | | | | 1,101,280 |
| Investments at fair value | | | | $8,535,137 |

| | Assets at Fair Value as of December 31, 2015 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Money market fund | $ 23 | $ - | $ - | $ 23 |
| Mututal funds | 7,740,921 | - | - | 7,740,921 |
| Total assets in the fair value hierarchy | $7,740,944 | $ - | $ - | $7,740,944 |
| Investments measured at NAV: Pooled separate accounts(a) | | | | 966,843 |
| Investments at fair value | | | | $8,707,787 |

(a) The pooled separate accounts are measured at fair value using NAV and have not been classified in the fair value hierarchy

## Note D – Fair Value Measurements (Continued)

### Fair Value of Investments that Use NAV

The following table summarizes investments measured at fair value based on NAV per share as of December 31, 2016 and 2015, respectively.

| December 31, 2016 | Fair Value | Unfunded Commitments | Expected Liquidation Term | Redemption Terms | Redemption Restrictions |
|---|---|---|---|---|---|
| Target Date Funds (a) | $1,101,280 | $ - | - | Immediate | None |

| December 31, 2015 | Fair Value | Unfunded Commitments | Expected Liquidation Term | Redemption Terms | Redemption Restrictions |
|---|---|---|---|---|---|
| Target Date Funds (a) | $966,843 | $ - | - | Immediate | None |

(a) Target-date funds' asset allocation mix typically provides exposure to return-seeking assets, such as equities, in early years when risk capacity is higher, and becomes increasingly conservative as time progresses with exposure switched progressively towards capital-preservation assets, such as government- and index-linked bonds.

## Note E – Guaranteed Investment Contract with Voya Financial

In 2003, the Plan entered into a benefit-responsive guaranteed investment contract with ING Life Insurance and Annuity Company ("ING"), currently known as Voya Financial. Voya maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The contract is a single group annuity contract with a fixed rate of interest. The average yield earned by the Plan is the yield earned (i.e., interest credited) on the group annuity contract.

This Contract meets the fully benefit-responsive investments contract criteria and therefore is reported at contract value. Contract value is the relevant measure for fully benefit-responsive investments contracts because this is the amount received by participants if they were to initiate permitted transactions under the terms of the Plan. Contract value, as reported to the Plan by Voya, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

**Note E – Guaranteed Investment Contract with Voya Financial (Continued)**

There are no reserves against contract value for credit risk of the contract issuer or otherwise. The crediting interest rate is based on a formula agreed upon with the issuer, but it may not be less than 3 percent. Such interest rates are reviewed on an annual basis for resetting.

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include (1) amendments to the Plan documents (including complete or partial Plan termination or merger with another plan), (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Plan sponsor or other Plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA. The Plan has no unfunded commitments. The Plan administrator believes that any events that would limit the Plan's ability to transact at contract value with participants are not probable.

The guaranteed investment contract does permit the insurance company to terminate the agreement prior to the scheduled maturity date.

**Note F – Related-Party Transactions and Party In Interest Transactions**

Certain Plan investments are shares of mutual funds and a guaranteed interest account managed by the Trustee as defined by the Plan and, therefore, these transactions qualify as party in interest transactions. The Plan Sponsor pays directly some fees related to the plan's operations.

**Note G – Plan Termination**

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100 percent vested in their employer contributions.

**Note H – Tax Status**

On September 1, 2014, the Internal Revenue Service ("IRS") stated that the prototype adopted by the Plan as then designed, is in accordance with the applicable sections of the Internal Revenue Code ("IRC") and is exempt from federal income tax. The Plan has not received a determination letter specific to the Plan itself. The Plan Administrator believes that the Plan is designed and is currently being operated, in all material respects, in compliance with the applicable requirements of the IRC and therefore believes that the Plan is qualified and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the plan and recognize a tax liability if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

## Note I – Risks and Uncertainties

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

## Note J – Accounting Standards Update

In May 2015, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2015-07, "Fair Value Measurement (Topic 820): Disclosure for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)" ("ASU 2015-07"), which updated guidance related to fair value measurement and the disclosures for investments in certain entities that calculate net asset value ("NAV") per share (or its equivalent). The updated guidance applies to reporting entities that elect to measure the fair value of certain investments valued using the NAV per share (or its equivalent) of the investment as a practical expedient. Currently, investments using the practical expedient are categorized within the fair value hierarchy on the basis of when the investment is redeemable with the investee at NAV. The amendments remove the requirement to categorize within the fair value hierarchy all investments for which fair value is measures using the NAV per share practical expedient. The amendments are effective for the Plan for fiscal years beginning after December 15, 2016 and shall apply retrospectively to all periods presented.

Management retrospectively adopted ASU 2015-07 on December 31, 2016. As a result of the adoption, assets using the NAV per share method were removed from the fair value hierarchies at December 31, 2016 and 2015. The value of these assets have been separately presented to permit reconciliation to total plan assets.

In July 2015, the FASB issued ASU 2015-12, "Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965)" ("ASU 2015-12"). Part I of ASU 2015-12 eliminates the requirements that employee benefit plans measure the fair value of fully benefit-responsive investment contracts and provide the related fair value disclosures, rather these contracts will be measured and disclosed only at contract value. Part II of ASU 2015-12 requires plans to disaggregate their investments measured using fair value only by general type, either on the financial statements or in the notes. Part II also eliminates the requirement to disclose the net appreciation/depreciation in fair value of investments by general type and the requirements to disclose individual investments that represent 5% or more of net assets available for benefits. Part III of ASU 2015-12 provides a practical expedient to permit plans to measure their investments and investment related accounts as of a month-end date closest to their fiscal year for plans with a fiscal year end that does not coincide with the end of a calendar month. The amendments in ASU 2015-12 are effective for reporting periods beginning after December 15, 2015, with early adoption permitted.

**Note J – Accounting Standards Update**

Accordingly, the amendments were retrospectively applied in the notes to the financial statements. As a result of the retrospective adoption of Part I and II of this standard, fully benefit-responsive investment contracts are disclosed at contract value, the disclosures for individual investments greater than 5 percent of net assets and the aggregation of net appreciation (depreciation) by type of investment in the Plan's investments disclosure were removed and investments have been grouped investments only by general type, as opposed to disaggregating by nature and risk. Part III is not applicable to this Plan.

**Note K – Reconciliation of Financial Statements to Form 5500**

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2016 to Form 5500:

| | 2016 | 2015 |
|---|---|---|
| Net assets available for benefits per the financial statements | $11,081,683 | $10,838,697 |
| Less: Participant and employer contributions receivable | (44,682) | (7,706) |
| Less: Transfer in from MIS II, LLC 401(k) Plan | (538,839) | - |
| Less: Deemed loans | (44,157) | - |
| Net assets available for benefits per the Form 5500 | $10,454,005 | $10,830,991 |

**Note K – Reconciliation of Financial Statements to Form 5500**

The following is a reconciliation of the net decrease in assets available for benefits per the financial statements for the year ended December 31, 2016 to net increase per the Form 5500:

| | 2016 |
|---|---|
| Total net increase (decrease) in assets available for benefits per the financial statements | $(295,853) |
| Participant and employer Contributions receivable at December 31, 2016 | (44,682) |
| Participant and employer Contributions receivable at December 31, 2015 | 7,706 |
| Deemed loans | (44,157) |
| Total net decrease per the Form 5500 | $(376,986) |

# Supplemental Schedule

# Qualitor, Inc. 401(k) and Profit Sharing Plan

## Schedule H, Part IV, Line 4i – Schedule of Assets (Held at End of Year)

## As of December 31, 2016

| Identity of Issue, Borrow or Similar Party | Description of Investments | Cost | Current Value |
|---|---|---|---|
| | **Money market fund** | | |
| *Voya National Trust | Voya Money Market Portfolio 1 | ** | $ 1,626 |
| | **Mutual funds** | | |
| Fidelity Funds | Fidelity VIP Contrafund Port-1 | ** | 1,208,061 |
| American Funds | American Funds Income Funds of America R3 | ** | 971,577 |
| *Voya National Trust | Voya Russell Large Cap Index Port 1 | ** | 867,781 |
| Franklin/Templeton Funds | Templeton Growth Fund | ** | 658,662 |
| American Funds | American Funds Growth Fund R3 | ** | 545,389 |
| *Voya National Trust | Voya Index Intermediate Bond Portfolio Fund | ** | 409,765 |
| *Voya National Trust | Voya Columbia Contrarian Core Port 1 | ** | 510,660 |
| Lord Abbett Funds | Lord Abbett Affiliated Fund – Class A | ** | 553,319 |
| *Voya National Trust | Voya Russell Mid Cap Index Port 1 | ** | 476,816 |
| Franklin/Templeton Funds | Templeton Foreign Fund | ** | 307,670 |
| *Voya National Trust | Voya Russell Small Cap Index Port 1 | ** | 480,729 |
| Franklin/Templeton Funds | Loomis Sayles Bond Fund – Retail | ** | 87,551 |
| Franklin/Templeton Funds | Pioneer High Yield Fund – Class Y | ** | 354,252 |
| | **Pooled separate accounts** | | |
| *Voya National Trust | Voya Solution 2035 Port-Adv Fund | ** | 443,333 |
| *Voya National Trust | Voya Solution 2045 Port-Adv Fund | ** | 222,937 |
| *Voya National Trust | Voya Solution 2025 Port-Adv Fund | ** | 189,902 |
| *Voya National Trust | Voya Solution 2020 Port-Adv Fund | ** | 41,150 |
| *Voya National Trust | Voya Solution 2055 Port-Adv Fund | ** | 102,150 |
| *Voya National Trust | Voya Solution Income Port Adv Fund | ** | 86,292 |
| *Voya National Trust | Voya Solution 2030 Port-Adv Fund | ** | 10,372 |
| *Voya National Trust | Voya Solution 2040 Port-Adv Fund | ** | 2,238 |
| *Voya National Trust | Voya Solution 2060 Port-Adv Fund | ** | 2,905 |
| | **Guaranteed interest account** | | |
| *Voya National Trust | Voya Fixed Account | ** | 1,830,961 |
| | **Notes receivable from participants** | | |
| *Participants | Loans (rates of 4.25% to 4.50%) | ** | 132,064 |
| | | | $10,498,162 |

* Parties-in-interest.

** Cost information is omitted with respect to participant or beneficiary directed transactions under an individual account plan.