

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ► Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2016 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information		
For calendar plan year 2016 or fiscal plan year beginning <u>01/01/2016</u> and ending <u>12/31/2016</u>			
A	This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____	
B	This return/report is:	☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)	
C	If the plan is a collectively-bargained plan, check here. ☐		
D	Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)	

Part II	Basic Plan Information —enter all requested information		
1a	Name of plan <u>THE ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN</u>	1b	Three-digit plan number (PN) ► <u>001</u>
		1c	Effective date of plan <u>04/01/2005</u>
2a	Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>ARNOLD MAGNETIC TECHNOLOGIES CORPORATION</u> <u>770 LINDEN AVENUE</u> <u>ROCHESTER, NY 14625</u>	2b	Employer Identification Number (EIN) <u>20-2368759</u>
		2c	Plan Sponsor's telephone number <u>585-385-9010</u>
		2d	Business code (see instructions) <u>332900</u>

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/13/2017	NANCY MIKIEWICZ
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number)			Preparer's telephone number

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN
	3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 329
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) 273
a(2) Total number of active participants at the end of the plan year	6a(2) 222
b Retired or separated participants receiving benefits.....	6b 5
c Other retired or separated participants entitled to future benefits	6c 60
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 287
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	6e 1
f Total. Add lines 6d and 6e	6f 288
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g 282
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6h 13
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2G 2J 2T 3D	
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2016 Form M-1 annual report. If the plan was not required to file the 2016 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2016
		This Form is Open to Public Inspection.
For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016		
A Name of plan THE ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 ARNOLD MAGNETIC TECHNOLOGIES CORPORATION	D Employer Identification Number (EIN) 20-2368759	

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

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

APFS WEALTH MANAGEMENT

45-2656077

(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?
27	NONE	6974	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

THE VANGUARD GROUP, INC.

23-1945930

(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?
15 16 25 37 52	NONE	6035	Yes ☒ No ☐	Yes ☒ No ☐	0	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:

<div>SCHEDULE D (Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div>		<div>DFE/Participating Plan Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>		<div>OMB No. 1210-0110</div> <div>2016</div> <div>This Form is Open to Public Inspection.</div>	
For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016					
A Name of plan THE ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN				B Three-digit plan number (PN) ▶ 001	
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 ARNOLD MAGNETIC TECHNOLOGIES CORPORATION				D Employer Identification Number (EIN) 20-2368759	
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: VFTC RETIREMENT SAVINGS TRUST					
b Name of sponsor of entity listed in (a): VANGUARD FIDUCIARY TRUST COMPANY					
c EIN-PN 23-2186884-022		d Entity code C		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1970652	
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)	

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Schedule D (Form 5500) 2016 v.160205

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
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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
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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
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code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

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

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

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) <small>Internal Revenue Service</small> <small>Department of Labor</small> <small>Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2016 This Form is Open to Public Inspection
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For calendar plan year 2016 or fiscal plan year beginning <u>01/01/2016</u> and ending <u>12/31/2016</u>		
A Name of plan <u>THE ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ARNOLD MAGNETIC TECHNOLOGIES CORPORATION</u>	D Employer Identification Number (EIN) <u>20-2368759</u>	

Part I	Asset and Liability Statement
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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)	6528	6476
(2) Participant contributions	1b(2)	29167	26710
(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)	236290	229450
(9) Value of interest in common/collective trusts	1c(9)	2036910	1970652
(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)	15301072	15865475
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	17609967	18098763

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	7199	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	7199	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	17602768	18098763
---	-----------	----------	----------

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)	196032	
(B) Participants	2a(1)(B)	819848	
(C) Others (including rollovers)	2a(1)(C)	9330	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		1025210
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)	8927	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		8927
(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)	589290	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		589290
(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)		37212
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		884220
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		2544859

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	2036955	
(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)		2036955
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)		
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)		
(4) Other	2i(4)	11909	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		11909
j Total expenses. Add all expense amounts in column (b) and enter total	2j		2048864

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		495995
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: **INSERO & CO. CPAS, LLP**

(2) EIN: **47-5324570**

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:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)

	Yes	No	Amount
4a		X	
4b		X	

		Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e Was this plan covered by a fidelity bond?	4e	X		1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l Has the plan failed to provide any benefit when due under the plan?	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			
o Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service?	4o			

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

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

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

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ☐ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year (See instructions.)

Part V Trust Information

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

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2016 This Form is Open to Public Inspection.
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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan <u>THE ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ARNOLD MAGNETIC TECHNOLOGIES CORPORATION</u>	D Employer Identification Number (EIN) <u>20-2368759</u>

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions	1	
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): <u>23-2186884</u>		
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 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
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☐ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Schedule R (Form 5500) 2016
v. 160205

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

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

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

Part VII	IRS Compliance Questions
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20a Is the plan a 401(k) plan? 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 / / .	

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

FINANCIAL REPORT

DECEMBER 31, 2016



***ARNOLD MAGNETIC TECHNOLOGIES
CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN***

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INDEPENDENT AUDITORS' REPORT

To the Plan Administrator and Participants of the
Arnold Magnetic Technologies Corporation Employee Retirement Savings Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Arnold Magnetic Technologies Corporation Employee Retirement Savings 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.

Auditors' Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 5, which was certified by Vanguard Fiduciary Trust Company, the trustee of the Plan, except for comparing this information with the related information included in the financial statements. We have been informed by the Plan Administrator that the trustee holds the Plan's assets and executes transactions. The Plan Administrator has obtained certifications from the trustee as of December 31, 2016 and 2015, and for the year ended December 31, 2016, that the information provided to the Plan Administrator by the trustee is complete and accurate.

Disclaimer of Opinion

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

Other Matter

The supplemental schedule of assets (held at end of year) as of December 31, 2016, is required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purposes of additional analysis but is not a required part of the financial statements. The supplemental schedule is the responsibility of the Plan's management. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, it is inappropriate to and 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 schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Respectfully Submitted,

Handwritten signature of Inero & Co. CPAs, LLP in black ink.

Inero & Co. CPAs, LLP
Certified Public Accountants

Rochester, New York
October 3, 2017

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Investments, at Fair Value		
Mutual Funds	\$ 15,860,578	\$ 15,291,905
Common/Collective Trust	1,970,652	2,036,910
Money Market Fund	<u>4,897</u>	<u>9,167</u>
Total Investments at Fair Value	17,836,127	17,337,982
Notes Receivable from Participants	229,450	236,290
Participant Contributions Receivable	26,710	29,167
Employer Contributions Receivable	<u>6,476</u>	<u>6,528</u>
Total Assets	18,098,763	17,609,967
LIABILITIES		
Excess Contributions Payable	<u>-</u>	<u>7,199</u>
Net Assets Available for Benefits	<u><u>\$ 18,098,763</u></u>	<u><u>\$ 17,602,768</u></u>

See Notes to Financial Statements.

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS FOR THE YEAR ENDED DECEMBER 31, 2016

Additions to Net Assets Attributed to:

Investment Income

Interest and Dividends	\$ 626,502
Net Appreciation in Fair Value of Investments	<u>884,220</u>

Total Investment Income	<u>1,510,722</u>
--------------------------------	------------------

Interest on Notes Receivable from Participants	<u>8,927</u>
---	--------------

Contributions

Employer	196,032
Participants	819,848
Rollovers	<u>9,330</u>

Total Contributions	<u>1,025,210</u>
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Total Additions	<u>2,544,859</u>
------------------------	------------------

Deductions from Net Assets Attributed to:

Benefits Paid to Participants	2,036,955
Administrative Expenses	<u>11,909</u>

Total Deductions	<u>2,048,864</u>
-------------------------	------------------

Net Increase	495,995
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Net Assets Available for Benefits - Beginning	<u>17,602,768</u>
--	-------------------

Net Assets Available for Benefits - Ending	<u><u>\$ 18,098,763</u></u>
---	-----------------------------

See Notes to Financial Statements.

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2016 AND 2015

Note 1 Description of Plan

The following description of the Arnold Magnetic Technologies Corporation Employee Retirement Savings 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, established effective April 1, 2005, covering all United States employees of Arnold Magnetic Technologies Corporation (the Company), excluding employees whose employment is governed by the terms of a collective bargaining agreement. The Plan is intended to satisfy all of the requirements for a qualified retirement plan under the appropriate provisions of the Internal Revenue Code (IRC). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Eligibility

Under the provisions of the Plan, eligible employees of the Company may participate in the Plan upon being hired.

Contributions and Vesting

The Plan provides that each participant may make elective pre-tax contributions for each payroll period, up to a maximum amount as allowed by certain statutory limitations. Participants are immediately 100% vested in their contributions and company contributions.

The Plan also provides for a Company matching contribution determined annually by management. During 2016, the Company matching contribution was 50% up to 4% of employee elective deferrals.

Participant Accounts

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

Notes Receivable from Participants

Participants may borrow from their account a minimum of \$1,000 up to a maximum of \$50,000 reduced by the highest outstanding loan balance during the previous 12 months or 50% of their vested account balance, whichever is less. The notes bear interest at the prime rate plus 1% and are to be repaid over a period not to exceed five years, or longer for the purchase of a primary residence. Principal and interest is paid ratably through payroll deductions.

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2016 AND 2015

Note 1 Description of Plan - Continued

Payment of Benefits

The Plan provides for normal retirement benefits upon reaching age 65 and has provisions for disability, death, hardship, and termination benefits for those participants who are eligible to receive such benefits.

Upon termination of service, participants can elect to have a qualified rollover of their vested balance or receive a lump-sum amount equal to the value of the participant's vested interest in his or her account.

Excess Contribution

The Plan recorded a liability of \$7,199 at December 31, 2015, for amounts refunded by the Plan to participants for contributions made in excess of amounts allowed under the IRC. There were no excess contributions at December 31, 2016.

Note 2 Summary of Significant Accounting Policies

Basis of Accounting

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

Subsequent Events

In preparing the financial statements, the Company has evaluated events and transactions for potential recognition or disclosure through October 3, 2017, the date the financial statements were available to be issued.

Use of Estimates

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

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent notes receivable from participants are reclassified as distributions based upon the terms of the Plan document.

Payment of Benefits

Benefit distributions are recorded when paid.

Administrative Expenses

Administrative expenses may be paid for by the Plan or the Company. Substantially all administrative expenses were paid for by the Company during 2016.

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2016 AND 2015

Note 2 Summary of Significant Accounting Policies - Continued

Risks and Uncertainties

The Plan invests in investment securities which are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with these investments, it is at least reasonably possible that changes in their values 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 3 Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Plan follows the fair value measurement guidance required by accounting principles generally accepted in the United States of America for financial and non-financial assets and liabilities. This guidance defines fair value and 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 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

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

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs 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 used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2016 AND 2015

Note 3 Investment Valuation and Income Recognition - Continued

Following is a description of the valuation methodologies used for investments measured at fair value:

Mutual Funds: Valued using the net asset value (NAV) provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is a quoted price in an active market.

Common/Collective Trust: Valued at NAV based on the underlying assets of the trust. The fair value of the underlying assets is obtained from information provided by the investment advisor using the audited financial statements of the common/collective trust at year end. There are no restrictions on redemptions of this investment.

Money Market Fund: Valued at the NAV of shares held by the Plan at year end.

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

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31:

Investments at Fair Value as of December 31, 2016			
	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Mutual Funds	\$ 15,860,578	\$ -	\$ 15,860,578
Common/Collective Trust	-	1,970,652	1,970,652
Money Market Fund	-	4,897	4,897
Total	<u>\$ 15,860,578</u>	<u>\$ 1,975,549</u>	<u>\$ 17,836,127</u>
Investments at Fair Value as of December 31, 2015			
	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Mutual Funds	\$ 15,291,905	\$ -	\$ 15,291,905
Common/Collective Trust	-	2,036,910	2,036,910
Money Market Fund	-	9,167	9,167
Total	<u>\$ 15,291,905</u>	<u>\$ 2,046,077</u>	<u>\$ 17,337,982</u>

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

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2016 AND 2015

Note 4 Tax Status

The Plan adopted a volume submitter plan document sponsored by Vanguard Fiduciary Trust Company. The volume submitter plan has received an advisory letter from the Internal Revenue Service (IRS), dated March 31, 2014, as to the volume submitter plan's qualified status. The advisory letter has been relied upon by the Plan. The Plan Administrator believes that the Plan is currently designed and operating in compliance with the applicable requirements of the IRC.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2016, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Note 5 Certified Information

The Plan Administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Vanguard Fiduciary Trust Company, has certified to the completeness and accuracy of the investments and notes receivable from participants reflected on the accompanying statements of net assets available for benefits as of December 31, 2016 and 2015, schedule of assets (held at end of year) as of December 31, 2016, and the investment activity (including interest and dividends and net appreciation in fair value of investments) and interest on notes receivable from participants reflected in the statement of changes in net assets available for benefits for the year ended December 31, 2016.

Note 6 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 termination of the Plan, all participants shall have a 100% nonforfeitable right to the amount credited to their accounts as of such date.

Note 7 Party-in-Interest Transactions

Plan investments are shares of mutual funds, a money market fund and a common/collective trust managed by an affiliate of Vanguard Fiduciary Trust Company. Vanguard Fiduciary Trust Company is the trustee of the Plan and, therefore, transactions involving these investments qualify as party-in-interest transactions. Notes receivable from participants also qualify as party-in-interest transactions.

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

SCHEDULE OF ASSETS (HELD AT END OF YEAR) DECEMBER 31, 2016

<u>Identity of Issue</u>	<u>Description of Investment</u>	<u>Current Value</u>
Mutual Funds		
* Vanguard	Wellington Fund Investor Shares	\$ 3,932,458
* Vanguard	Windsor II Fund Investor Shares	2,182,452
* Vanguard	Small-Cap Index Fund Investor Shares	2,112,400
* Vanguard	Total Bond Market Index Fund Investor Shares	1,778,877
* Vanguard	Windsor Fund Investor Shares	1,739,770
* Vanguard	500 Index Fund Investor Shares	1,706,794
* Vanguard	International Growth Fund Investor Shares	1,035,567
* Vanguard	Morgan Growth Fund Investor Shares	749,134
* Vanguard	U.S. Growth Fund Investor Shares	356,924
* Vanguard	Vanguard Target Retirement 2025 Fund	180,610
* Vanguard	Vanguard Target Retirement 2020 Fund	41,317
* Vanguard	Mid-Cap Index Fund Investor Shares	26,167
* Vanguard	Vanguard Target Retirement 2040 Fund	6,721
* Vanguard	Vanguard Target Retirement 2060 Fund	4,972
* Vanguard	Vanguard Target Retirement 2045 Fund	4,008
* Vanguard	Vanguard Target Retirement 2050 Fund	1,357
* Vanguard	Vanguard Target Retirement 2055 Fund	830
* Vanguard	Vanguard Target Retirement 2035 Fund	220
Total Mutual Funds		<u>15,860,578</u>
Common/Collective Trust		
* Vanguard	Retirement Savings Trust	<u>1,970,652</u>
Money Market Fund		
* Vanguard	Prime Money Market Fund	<u>4,897</u>
Participant Loans		
* Various	Interest rates ranging from 4.25% to 4.50% and maturity dates ranging from March, 2017 through January, 2022	<u>229,450</u>
		<u>\$ 18,065,577</u>

* Denotes Party-In-Interest

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

FINANCIAL REPORT

DECEMBER 31, 2016



***ARNOLD MAGNETIC TECHNOLOGIES
CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN***

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INDEPENDENT AUDITORS' REPORT

To the Plan Administrator and Participants of the
Arnold Magnetic Technologies Corporation Employee Retirement Savings Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Arnold Magnetic Technologies Corporation Employee Retirement Savings 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.

Auditors' Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 5, which was certified by Vanguard Fiduciary Trust Company, the trustee of the Plan, except for comparing this information with the related information included in the financial statements. We have been informed by the Plan Administrator that the trustee holds the Plan's assets and executes transactions. The Plan Administrator has obtained certifications from the trustee as of December 31, 2016 and 2015, and for the year ended December 31, 2016, that the information provided to the Plan Administrator by the trustee is complete and accurate.

Disclaimer of Opinion

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

Other Matter

The supplemental schedule of assets (held at end of year) as of December 31, 2016, is required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purposes of additional analysis but is not a required part of the financial statements. The supplemental schedule is the responsibility of the Plan's management. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, it is inappropriate to and 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 schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Respectfully Submitted,



Inero & Co. CPAs, LLP
Certified Public Accountants

Rochester, New York
October 3, 2017

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Investments, at Fair Value		
Mutual Funds	\$ 15,860,578	\$ 15,291,905
Common/Collective Trust	1,970,652	2,036,910
Money Market Fund	<u>4,897</u>	<u>9,167</u>
Total Investments at Fair Value	17,836,127	17,337,982
Notes Receivable from Participants	229,450	236,290
Participant Contributions Receivable	26,710	29,167
Employer Contributions Receivable	<u>6,476</u>	<u>6,528</u>
Total Assets	18,098,763	17,609,967
LIABILITIES		
Excess Contributions Payable	<u>-</u>	<u>7,199</u>
Net Assets Available for Benefits	<u><u>\$ 18,098,763</u></u>	<u><u>\$ 17,602,768</u></u>

See Notes to Financial Statements.

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS FOR THE YEAR ENDED DECEMBER 31, 2016

Additions to Net Assets Attributed to:

Investment Income

Interest and Dividends	\$ 626,502
Net Appreciation in Fair Value of Investments	<u>884,220</u>

Total Investment Income	<u>1,510,722</u>
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Interest on Notes Receivable from Participants	<u>8,927</u>
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Contributions

Employer	196,032
Participants	819,848
Rollovers	<u>9,330</u>

Total Contributions	<u>1,025,210</u>
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Total Additions	<u>2,544,859</u>
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Deductions from Net Assets Attributed to:

Benefits Paid to Participants	2,036,955
Administrative Expenses	<u>11,909</u>

Total Deductions	<u>2,048,864</u>
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Net Increase	495,995
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Net Assets Available for Benefits - Beginning	<u>17,602,768</u>
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Net Assets Available for Benefits - Ending	<u><u>\$ 18,098,763</u></u>
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See Notes to Financial Statements.

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2016 AND 2015

Note 1 Description of Plan

The following description of the Arnold Magnetic Technologies Corporation Employee Retirement Savings 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, established effective April 1, 2005, covering all United States employees of Arnold Magnetic Technologies Corporation (the Company), excluding employees whose employment is governed by the terms of a collective bargaining agreement. The Plan is intended to satisfy all of the requirements for a qualified retirement plan under the appropriate provisions of the Internal Revenue Code (IRC). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Eligibility

Under the provisions of the Plan, eligible employees of the Company may participate in the Plan upon being hired.

Contributions and Vesting

The Plan provides that each participant may make elective pre-tax contributions for each payroll period, up to a maximum amount as allowed by certain statutory limitations. Participants are immediately 100% vested in their contributions and company contributions.

The Plan also provides for a Company matching contribution determined annually by management. During 2016, the Company matching contribution was 50% up to 4% of employee elective deferrals.

Participant Accounts

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

Notes Receivable from Participants

Participants may borrow from their account a minimum of \$1,000 up to a maximum of \$50,000 reduced by the highest outstanding loan balance during the previous 12 months or 50% of their vested account balance, whichever is less. The notes bear interest at the prime rate plus 1% and are to be repaid over a period not to exceed five years, or longer for the purchase of a primary residence. Principal and interest is paid ratably through payroll deductions.

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2016 AND 2015

Note 1 Description of Plan - Continued

Payment of Benefits

The Plan provides for normal retirement benefits upon reaching age 65 and has provisions for disability, death, hardship, and termination benefits for those participants who are eligible to receive such benefits.

Upon termination of service, participants can elect to have a qualified rollover of their vested balance or receive a lump-sum amount equal to the value of the participant's vested interest in his or her account.

Excess Contribution

The Plan recorded a liability of \$7,199 at December 31, 2015, for amounts refunded by the Plan to participants for contributions made in excess of amounts allowed under the IRC. There were no excess contributions at December 31, 2016.

Note 2 Summary of Significant Accounting Policies

Basis of Accounting

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

Subsequent Events

In preparing the financial statements, the Company has evaluated events and transactions for potential recognition or disclosure through October 3, 2017, the date the financial statements were available to be issued.

Use of Estimates

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

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent notes receivable from participants are reclassified as distributions based upon the terms of the Plan document.

Payment of Benefits

Benefit distributions are recorded when paid.

Administrative Expenses

Administrative expenses may be paid for by the Plan or the Company. Substantially all administrative expenses were paid for by the Company during 2016.

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2016 AND 2015

Note 2 Summary of Significant Accounting Policies - Continued

Risks and Uncertainties

The Plan invests in investment securities which are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with these investments, it is at least reasonably possible that changes in their values 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 3 Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Plan follows the fair value measurement guidance required by accounting principles generally accepted in the United States of America for financial and non-financial assets and liabilities. This guidance defines fair value and 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 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

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

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs 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 used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2016 AND 2015

Note 3 Investment Valuation and Income Recognition - Continued

Following is a description of the valuation methodologies used for investments measured at fair value:

Mutual Funds: Valued using the net asset value (NAV) provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is a quoted price in an active market.

Common/Collective Trust: Valued at NAV based on the underlying assets of the trust. The fair value of the underlying assets is obtained from information provided by the investment advisor using the audited financial statements of the common/collective trust at year end. There are no restrictions on redemptions of this investment.

Money Market Fund: Valued at the NAV of shares held by the Plan at year end.

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

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31:

Investments at Fair Value as of December 31, 2016			
	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Mutual Funds	\$ 15,860,578	\$ -	\$ 15,860,578
Common/Collective Trust	-	1,970,652	1,970,652
Money Market Fund	-	4,897	4,897
Total	<u>\$ 15,860,578</u>	<u>\$ 1,975,549</u>	<u>\$ 17,836,127</u>
Investments at Fair Value as of December 31, 2015			
	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Mutual Funds	\$ 15,291,905	\$ -	\$ 15,291,905
Common/Collective Trust	-	2,036,910	2,036,910
Money Market Fund	-	9,167	9,167
Total	<u>\$ 15,291,905</u>	<u>\$ 2,046,077</u>	<u>\$ 17,337,982</u>

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

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2016 AND 2015

Note 4 Tax Status

The Plan adopted a volume submitter plan document sponsored by Vanguard Fiduciary Trust Company. The volume submitter plan has received an advisory letter from the Internal Revenue Service (IRS), dated March 31, 2014, as to the volume submitter plan's qualified status. The advisory letter has been relied upon by the Plan. The Plan Administrator believes that the Plan is currently designed and operating in compliance with the applicable requirements of the IRC.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2016, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Note 5 Certified Information

The Plan Administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Vanguard Fiduciary Trust Company, has certified to the completeness and accuracy of the investments and notes receivable from participants reflected on the accompanying statements of net assets available for benefits as of December 31, 2016 and 2015, schedule of assets (held at end of year) as of December 31, 2016, and the investment activity (including interest and dividends and net appreciation in fair value of investments) and interest on notes receivable from participants reflected in the statement of changes in net assets available for benefits for the year ended December 31, 2016.

Note 6 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 termination of the Plan, all participants shall have a 100% nonforfeitable right to the amount credited to their accounts as of such date.

Note 7 Party-in-Interest Transactions

Plan investments are shares of mutual funds, a money market fund and a common/collective trust managed by an affiliate of Vanguard Fiduciary Trust Company. Vanguard Fiduciary Trust Company is the trustee of the Plan and, therefore, transactions involving these investments qualify as party-in-interest transactions. Notes receivable from participants also qualify as party-in-interest transactions.

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

SCHEDULE OF ASSETS (HELD AT END OF YEAR) DECEMBER 31, 2016

<u>Identity of Issue</u>	<u>Description of Investment</u>	<u>Current Value</u>
Mutual Funds		
* Vanguard	Wellington Fund Investor Shares	\$ 3,932,458
* Vanguard	Windsor II Fund Investor Shares	2,182,452
* Vanguard	Small-Cap Index Fund Investor Shares	2,112,400
* Vanguard	Total Bond Market Index Fund Investor Shares	1,778,877
* Vanguard	Windsor Fund Investor Shares	1,739,770
* Vanguard	500 Index Fund Investor Shares	1,706,794
* Vanguard	International Growth Fund Investor Shares	1,035,567
* Vanguard	Morgan Growth Fund Investor Shares	749,134
* Vanguard	U.S. Growth Fund Investor Shares	356,924
* Vanguard	Vanguard Target Retirement 2025 Fund	180,610
* Vanguard	Vanguard Target Retirement 2020 Fund	41,317
* Vanguard	Mid-Cap Index Fund Investor Shares	26,167
* Vanguard	Vanguard Target Retirement 2040 Fund	6,721
* Vanguard	Vanguard Target Retirement 2060 Fund	4,972
* Vanguard	Vanguard Target Retirement 2045 Fund	4,008
* Vanguard	Vanguard Target Retirement 2050 Fund	1,357
* Vanguard	Vanguard Target Retirement 2055 Fund	830
* Vanguard	Vanguard Target Retirement 2035 Fund	220
Total Mutual Funds		<u>15,860,578</u>
Common/Collective Trust		
* Vanguard	Retirement Savings Trust	<u>1,970,652</u>
Money Market Fund		
* Vanguard	Prime Money Market Fund	<u>4,897</u>
Participant Loans		
* Various	Interest rates ranging from 4.25% to 4.50% and maturity dates ranging from March, 2017 through January, 2022	<u>229,450</u>
		<u>\$ 18,065,577</u>

* Denotes Party-In-Interest

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

FINANCIAL REPORT

DECEMBER 31, 2016



***ARNOLD MAGNETIC TECHNOLOGIES
CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN***

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INDEPENDENT AUDITORS' REPORT

To the Plan Administrator and Participants of the
Arnold Magnetic Technologies Corporation Employee Retirement Savings Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Arnold Magnetic Technologies Corporation Employee Retirement Savings 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.

Auditors' Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 5, which was certified by Vanguard Fiduciary Trust Company, the trustee of the Plan, except for comparing this information with the related information included in the financial statements. We have been informed by the Plan Administrator that the trustee holds the Plan's assets and executes transactions. The Plan Administrator has obtained certifications from the trustee as of December 31, 2016 and 2015, and for the year ended December 31, 2016, that the information provided to the Plan Administrator by the trustee is complete and accurate.

Disclaimer of Opinion

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

Other Matter

The supplemental schedule of assets (held at end of year) as of December 31, 2016, is required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purposes of additional analysis but is not a required part of the financial statements. The supplemental schedule is the responsibility of the Plan's management. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, it is inappropriate to and 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 schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Respectfully Submitted,

A handwritten signature in black ink that reads "Inero & Co. CPAs, LLP". The signature is written in a cursive, flowing style.

Inero & Co. CPAs, LLP
Certified Public Accountants

Rochester, New York
October 3, 2017

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Investments, at Fair Value		
Mutual Funds	\$ 15,860,578	\$ 15,291,905
Common/Collective Trust	1,970,652	2,036,910
Money Market Fund	<u>4,897</u>	<u>9,167</u>
Total Investments at Fair Value	17,836,127	17,337,982
Notes Receivable from Participants	229,450	236,290
Participant Contributions Receivable	26,710	29,167
Employer Contributions Receivable	<u>6,476</u>	<u>6,528</u>
Total Assets	18,098,763	17,609,967
LIABILITIES		
Excess Contributions Payable	<u>-</u>	<u>7,199</u>
Net Assets Available for Benefits	<u><u>\$ 18,098,763</u></u>	<u><u>\$ 17,602,768</u></u>

See Notes to Financial Statements.

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS FOR THE YEAR ENDED DECEMBER 31, 2016

Additions to Net Assets Attributed to:

Investment Income

Interest and Dividends	\$ 626,502
Net Appreciation in Fair Value of Investments	<u>884,220</u>

Total Investment Income	<u>1,510,722</u>
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Interest on Notes Receivable from Participants	<u>8,927</u>
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Contributions

Employer	196,032
Participants	819,848
Rollovers	<u>9,330</u>

Total Contributions	<u>1,025,210</u>
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Total Additions	<u>2,544,859</u>
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Deductions from Net Assets Attributed to:

Benefits Paid to Participants	2,036,955
Administrative Expenses	<u>11,909</u>

Total Deductions	<u>2,048,864</u>
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Net Increase	495,995
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Net Assets Available for Benefits - Beginning	<u>17,602,768</u>
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Net Assets Available for Benefits - Ending	<u><u>\$ 18,098,763</u></u>
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See Notes to Financial Statements.

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2016 AND 2015

Note 1 Description of Plan

The following description of the Arnold Magnetic Technologies Corporation Employee Retirement Savings 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, established effective April 1, 2005, covering all United States employees of Arnold Magnetic Technologies Corporation (the Company), excluding employees whose employment is governed by the terms of a collective bargaining agreement. The Plan is intended to satisfy all of the requirements for a qualified retirement plan under the appropriate provisions of the Internal Revenue Code (IRC). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Eligibility

Under the provisions of the Plan, eligible employees of the Company may participate in the Plan upon being hired.

Contributions and Vesting

The Plan provides that each participant may make elective pre-tax contributions for each payroll period, up to a maximum amount as allowed by certain statutory limitations. Participants are immediately 100% vested in their contributions and company contributions.

The Plan also provides for a Company matching contribution determined annually by management. During 2016, the Company matching contribution was 50% up to 4% of employee elective deferrals.

Participant Accounts

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

Notes Receivable from Participants

Participants may borrow from their account a minimum of \$1,000 up to a maximum of \$50,000 reduced by the highest outstanding loan balance during the previous 12 months or 50% of their vested account balance, whichever is less. The notes bear interest at the prime rate plus 1% and are to be repaid over a period not to exceed five years, or longer for the purchase of a primary residence. Principal and interest is paid ratably through payroll deductions.

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2016 AND 2015

Note 1 Description of Plan - Continued

Payment of Benefits

The Plan provides for normal retirement benefits upon reaching age 65 and has provisions for disability, death, hardship, and termination benefits for those participants who are eligible to receive such benefits.

Upon termination of service, participants can elect to have a qualified rollover of their vested balance or receive a lump-sum amount equal to the value of the participant's vested interest in his or her account.

Excess Contribution

The Plan recorded a liability of \$7,199 at December 31, 2015, for amounts refunded by the Plan to participants for contributions made in excess of amounts allowed under the IRC. There were no excess contributions at December 31, 2016.

Note 2 Summary of Significant Accounting Policies

Basis of Accounting

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

Subsequent Events

In preparing the financial statements, the Company has evaluated events and transactions for potential recognition or disclosure through October 3, 2017, the date the financial statements were available to be issued.

Use of Estimates

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

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent notes receivable from participants are reclassified as distributions based upon the terms of the Plan document.

Payment of Benefits

Benefit distributions are recorded when paid.

Administrative Expenses

Administrative expenses may be paid for by the Plan or the Company. Substantially all administrative expenses were paid for by the Company during 2016.

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2016 AND 2015

Note 2 Summary of Significant Accounting Policies - Continued

Risks and Uncertainties

The Plan invests in investment securities which are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with these investments, it is at least reasonably possible that changes in their values 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 3 Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Plan follows the fair value measurement guidance required by accounting principles generally accepted in the United States of America for financial and non-financial assets and liabilities. This guidance defines fair value and 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 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

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

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs 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 used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2016 AND 2015

Note 3 Investment Valuation and Income Recognition - Continued

Following is a description of the valuation methodologies used for investments measured at fair value:

Mutual Funds: Valued using the net asset value (NAV) provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is a quoted price in an active market.

Common/Collective Trust: Valued at NAV based on the underlying assets of the trust. The fair value of the underlying assets is obtained from information provided by the investment advisor using the audited financial statements of the common/collective trust at year end. There are no restrictions on redemptions of this investment.

Money Market Fund: Valued at the NAV of shares held by the Plan at year end.

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

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31:

Investments at Fair Value as of December 31, 2016			
	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Mutual Funds	\$ 15,860,578	\$ -	\$ 15,860,578
Common/Collective Trust	-	1,970,652	1,970,652
Money Market Fund	-	4,897	4,897
Total	<u>\$ 15,860,578</u>	<u>\$ 1,975,549</u>	<u>\$ 17,836,127</u>
Investments at Fair Value as of December 31, 2015			
	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Mutual Funds	\$ 15,291,905	\$ -	\$ 15,291,905
Common/Collective Trust	-	2,036,910	2,036,910
Money Market Fund	-	9,167	9,167
Total	<u>\$ 15,291,905</u>	<u>\$ 2,046,077</u>	<u>\$ 17,337,982</u>

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

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2016 AND 2015

Note 4 Tax Status

The Plan adopted a volume submitter plan document sponsored by Vanguard Fiduciary Trust Company. The volume submitter plan has received an advisory letter from the Internal Revenue Service (IRS), dated March 31, 2014, as to the volume submitter plan's qualified status. The advisory letter has been relied upon by the Plan. The Plan Administrator believes that the Plan is currently designed and operating in compliance with the applicable requirements of the IRC.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2016, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Note 5 Certified Information

The Plan Administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Vanguard Fiduciary Trust Company, has certified to the completeness and accuracy of the investments and notes receivable from participants reflected on the accompanying statements of net assets available for benefits as of December 31, 2016 and 2015, schedule of assets (held at end of year) as of December 31, 2016, and the investment activity (including interest and dividends and net appreciation in fair value of investments) and interest on notes receivable from participants reflected in the statement of changes in net assets available for benefits for the year ended December 31, 2016.

Note 6 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 termination of the Plan, all participants shall have a 100% nonforfeitable right to the amount credited to their accounts as of such date.

Note 7 Party-in-Interest Transactions

Plan investments are shares of mutual funds, a money market fund and a common/collective trust managed by an affiliate of Vanguard Fiduciary Trust Company. Vanguard Fiduciary Trust Company is the trustee of the Plan and, therefore, transactions involving these investments qualify as party-in-interest transactions. Notes receivable from participants also qualify as party-in-interest transactions.

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

SCHEDULE OF ASSETS (HELD AT END OF YEAR) DECEMBER 31, 2016

<u>Identity of Issue</u>	<u>Description of Investment</u>	<u>Current Value</u>
Mutual Funds		
* Vanguard	Wellington Fund Investor Shares	\$ 3,932,458
* Vanguard	Windsor II Fund Investor Shares	2,182,452
* Vanguard	Small-Cap Index Fund Investor Shares	2,112,400
* Vanguard	Total Bond Market Index Fund Investor Shares	1,778,877
* Vanguard	Windsor Fund Investor Shares	1,739,770
* Vanguard	500 Index Fund Investor Shares	1,706,794
* Vanguard	International Growth Fund Investor Shares	1,035,567
* Vanguard	Morgan Growth Fund Investor Shares	749,134
* Vanguard	U.S. Growth Fund Investor Shares	356,924
* Vanguard	Vanguard Target Retirement 2025 Fund	180,610
* Vanguard	Vanguard Target Retirement 2020 Fund	41,317
* Vanguard	Mid-Cap Index Fund Investor Shares	26,167
* Vanguard	Vanguard Target Retirement 2040 Fund	6,721
* Vanguard	Vanguard Target Retirement 2060 Fund	4,972
* Vanguard	Vanguard Target Retirement 2045 Fund	4,008
* Vanguard	Vanguard Target Retirement 2050 Fund	1,357
* Vanguard	Vanguard Target Retirement 2055 Fund	830
* Vanguard	Vanguard Target Retirement 2035 Fund	220
Total Mutual Funds		<u>15,860,578</u>
Common/Collective Trust		
* Vanguard	Retirement Savings Trust	<u>1,970,652</u>
Money Market Fund		
* Vanguard	Prime Money Market Fund	<u>4,897</u>
Participant Loans		
* Various	Interest rates ranging from 4.25% to 4.50% and maturity dates ranging from March, 2017 through January, 2022	<u>229,450</u>
		<u>\$ 18,065,577</u>

* Denotes Party-In-Interest