Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

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

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

OMB Nos. 1210-0110
1210-0089

2016

This Form is Open to Public Inspection

Part I Annual Report Identification Information

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

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

B This return/report is:
- [ ] the first return/report
- [ ] the final return/report
- [ ] an amended return/report
- [ ] a short plan year return/report (less than 12 months)

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558
- [ ] automatic extension
- [ ] the DFVC program
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
CONTRAN CORPORATION PENSION PLAN

1b Three-digit plan number (PN) ▶ 003

1c Effective date of plan 06/01/1972

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)
CONTRAN CORPORATION

5430 LBJ FREEWAY, SUITE 1700
DALLAS, TX 75240-2697

2b Employer Identification Number (EIN) 74-1646336

2c Plan Sponsor's telephone number 972-233-1700

2d Business code (see instructions) 321210

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	KATHY COOK
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/13/2017	GREGORY M SWALWELL
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Preparer's telephone number

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

5	Total number of participants at the beginning of the plan year	**5**	2881
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)**	112
a(2)	Total number of active participants at the end of the plan year	**6a(2)**	92
b	Retired or separated participants receiving benefits	**6b**	1874
c	Other retired or separated participants entitled to future benefits	**6c**	327
d	Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	2293
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	464
f	Total. Add lines **6d** and **6e**.	**6f**	2757
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	3
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
1A 3H

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

9a Plan funding arrangement (check all that apply)

- **(1)** [ ] Insurance
- **(2)** [ ] Code section 412(e)(3) insurance contracts
- **(3)** [X] Trust
- **(4)** [ ] General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

- **(1)** [ ] Insurance
- **(2)** [ ] Code section 412(e)(3) insurance contracts
- **(3)** [X] Trust
- **(4)** [ ] General assets of the sponsor

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

a Pension Schedules

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

b General Schedules

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

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

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

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

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

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

Receipt Confirmation Code_____

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

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

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan
CONTRAN CORPORATION PENSION PLAN

B Three-digit plan number (PN) ▶ 003

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
CONTRAN CORPORATION

D Employer Identification Number (EIN)
74-1646336

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2016

2 Assets:

a Market value	**2a**	150159632
b Actuarial value	**2b**	150159632

3 Funding target/participant count breakdown

	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	2458	92222352	92222352
b For terminated vested participants	340	13248144	13248144
c For active participants	114	17676278	20537635
d Total	2912	123146774	126008131

4 If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ]

a Funding target disregarding prescribed at-risk assumptions	**4a**	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	**4b**	
5 Effective interest rate	**5**	6.00 %
6 Target normal cost	**6**	2101220

Statement by Enrolled Actuary

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

SIGN HERE

Signature of actuary

09/29/2017
Date

MICHAEL MORIN
Type or print name of actuary

17-04030
Most recent enrollment number

MILLIMAN, INC.
Firm name

214-863-5500
Telephone number (including area code)

10000 N. CENTRAL EXPWY, SUITE 1500
DALLAS, TX 75231-4177
Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of Year Carryover and Prefunding Balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	6119	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	6119	0
10	Interest on line 9 using prior year's actual return of -2.43%	-149	0
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		0
	b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of 6.31%		0
	b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
	c Total available at beginning of current plan year to add to prefunding balance		0
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections		0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	5970	0

Part III Funding Percentages

14	Funding target attainment percentage	14	119.16%
15	Adjusted funding target attainment percentage	15	119.16%
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	103.93%
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls

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

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

19	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
	a Contributions allocated toward unpaid minimum required contributions from prior years.	19a	0
	b Contributions made to avoid restrictions adjusted to valuation date	19b	0
	c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	0

20 Quarterly contributions and liquidity shortfalls:

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

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

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

Liquidity shortfall as of end of quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

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

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
4.43%	5.91%	6.65%	☐ N/A, full yield curve used

b Applicable month (enter code)	**21b**	0
22 Weighted average retirement age	**22**	65

23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	**31a**		2101220
b Excess assets, if applicable, but not greater than line 31a	**31b**		2101220
32 Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment		0	0
b Waiver amortization installment		0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	**33**		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	**34**		0

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement			0

36 Additional cash requirement (line 34 minus line 35)	**36**	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	0
38 Present value of excess contributions for current year (see instructions)		
a Total (excess, if any, of line 37 over line 36)	**38a**	0
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	**38b**	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	**39**	0
40 Unpaid minimum required contributions for all years	**40**	0

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

41 If an election was made to use PRA 2010 funding relief for this plan:

a Schedule elected ☐ 2 plus 7 years ☐ 15 years

b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

42 Amount of acceleration adjustment	**42**	
43 Excess installment acceleration amount to be carried over to future plan years	**43**	

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	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.**	**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	**B** Three-digit plan number (PN) ▶	
CONTRAN CORPORATION PENSION PLAN		003
C Plan sponsor's name as shown on line 2a of Form 5500	**D** Employer Identification Number (EIN)	
CONTRAN CORPORATION	74-1646336	

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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)

NORTHWEST RETIREMENT PLANS, INC.

93-0839718

(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?
12 15 50	NONE	50338	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

MILLIMAN, INC.

91-0675641

(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?
11 50	NONE	37968	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

U.S. BANK NATIONAL ASSOCIATION

31-0841368

(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?
12 18 21 50 62 65	NONE	29029	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [X] 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)

SUTTON FROST CARY LLP

75-2593210

(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?
10 50	NONE	18200	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

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

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

Part I Service Provider Information (continued)

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

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

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

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

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

(complete as many entries as needed)

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

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

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

OMB No. 1210-0110

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
CONTRAN CORPORATION PENSION PLAN

B Three-digit plan number (PN) ▶ 003

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
CONTRAN CORPORATION

D Employer Identification Number (EIN)
74-1646336

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: THE COMB. MASTER RETIREMENT TRUST

b Name of sponsor of entity listed in (a): U.S. BANK NATIONAL ASSOCIATION

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)
75-2832229-001	M	146124710

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

b Name of plan sponsor	**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)

Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

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

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

OMB No. 1210-0110

2016

This Form is Open to Public Inspection

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

A Name of plan
CONTRAN CORPORATION PENSION PLAN

B Three-digit plan number (PN) ▶ 003

C Plan sponsor's name as shown on line 2a of Form 5500
CONTRAN CORPORATION

D Employer Identification Number (EIN)
74-1646336

Part I Asset and Liability Statement

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	196062	194498
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	150159632	146124710
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)	0	177286

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	150355694	146496494
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h	17500	21197
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	17500	21197
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	150338194	146475297

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

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		6859661
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		3737
d Total income. Add all **income** amounts in column (b) and enter total	2d		6863398
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	10406376	
(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)		10406376
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)	56168	
(2) Contract administrator fees	2i(2)	50338	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	213413	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		319919
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		10726295
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		-3862897
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [X] Unqualified **(2)** [ ] Qualified **(3)** [ ] Disclaimer **(4)** [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [ ] Yes [X] No

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

(1) Name: SUTTON FROST CARY LLP **(2)** EIN: 75-2593210

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

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

Part IV Compliance Questions

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

During the plan year:

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

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		500000
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		67246592
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			
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 4081059 . (See instructions.)

Part V Trust Information

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

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

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

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

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

OMB No. 1210-0110

2016

This Form is Open to Public Inspection.

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

A Name of plan
CONTRAN CORPORATION PENSION PLAN

B Three-digit plan number (PN) ▶ 003

C Plan sponsor's name as shown on line 2a of Form 5500
CONTRAN CORPORATION

D Employer Identification Number (EIN)
74-1646336

Part I Distributions

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

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

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

EIN(s): 51-6039978 41-6271370

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** 2

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

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

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

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

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

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

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

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

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

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

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

Part III Amendments

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

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

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

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

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

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

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

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

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

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

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

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

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

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

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

a Enter the percentage of plan assets held as:
Stock: 54 % Investment-Grade Debt: 36 % High-Yield Debt: _____% Real Estate: _____% Other: 10 %

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

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

Part VII IRS Compliance Questions

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

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

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

CONTRAN CORPORATION PENSION PLAN

FINANCIAL STATEMENTS

December 31, 2015 and 2016

with

INDEPENDENT AUDITORS' REPORT

CONTRAN CORPORATION PENSION PLAN

Index of Financial Statements

	Page
Independent Auditors' Report	2
Financial Statements	
Statements of Net Assets Available for Benefits - December 31, 2015 and 2016	3
Statements of Changes in Net Assets Available for Benefits - Years ended December 31, 2015 and 2016	4
Notes to Financial Statements	5

SFC
Sutton Frost Cary LLP
Certified Public Accountants

Independent Auditors' Report

To the Retirement Committee of the
Contran Corporation Pension Plan:

We have audited the accompanying financial statements of the Contran Corporation Pension Plan ("Plan"), which comprise the statements of net assets available for benefits as of December 31, 2015 and 2016, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Plan 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 the 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 our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial status of the Contran Corporation Pension Plan as of December 31, 2015 and 2016, and the changes in its financial status for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Sutton Frost Cary

A Limited Liability Partnership

Arlington, Texas
October 12, 2017

Sutton Frost Cary LLP
Certified Public Accountants and Consultants
600 Six Flags Drive, Suite 600 · Arlington, Texas 76011

sfcllp.com
Phone 817 649-8083
Fax 817 649-3202

CONTRAN CORPORATION PENSION PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	December 31,	
	2015	2016
Assets:		
Investment in The Combined Master Retirement Trust, at fair value	$ 150,159,632	**$ 146,124,710**
Cash and cash equivalents	196,062	**194,498**
Other assets	-	**177,286**
Total assets	150,355,694	**146,496,494**
Liabilities – other payable	17,500	**21,197**
Net assets available for benefits	$ 150,338,194	**$ 146,475,297**

See accompanying Notes to Financial Statements.

CONTRAN CORPORATION PENSION PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	Years ended December 31,	
	2015	2016
Additions:		
Net appreciation in fair value of investment in The Combined Master Retirement Trust	$ -	$ 6,859,661
Other income	-	3,737
Total additions	-	6,863,398
Deductions:		
Net depreciation in fair value of investment in The Combined Master Retirement Trust	1,506,436	-
Benefits paid to participants	3,835,600	10,406,376
Administrative expenses	398,032	319,919
Total deductions	5,740,068	10,726,295
Net decrease in net assets available for benefits	(5,740,068)	(3,862,897)
Net assets available for benefits:		
Beginning of year	64,378,262	150,338,194
Transfer of net assets from the Keystone Consolidated Industries, Inc. Master Retirement Trust II – Keystone Employees' Retirement Plan for Inactive Participants	91,700,000	-
End of year	$ 150,338,194	$ 146,475,297

See accompanying Notes to Financial Statements.

Note 1 - Description of Plan:

General. The following description of the Contran Corporation Pension Plan (the "Plan") provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

The Plan is a non-contributory defined benefit pension plan which covers eligible current and former employees of Contran Corporation, Valhi, Inc., Flight Proficiency Service, Inc. ("Flight Proficiency"), Southwest Louisiana Land Company ("SWLL"), Dixie Rice Agricultural Corporation, Inc. ("Dixie"), Contran Security, Inc. ("Security") and Medite Corporation, and certain former employees of Keystone Consolidated Industries, Inc. ("Keystone") (collectively, the "Employer"). Effective February 28, 2015, Security ceased participation in the Plan. Effective March 31, 2015, Flight Proficiency ceased participation in the Plan. Effective May 31, 2015, SWLL and Dixie ceased participation in the Plan. Current employees of certain of the Employers who are at least 21 years old become eligible to participate in the Plan upon attaining at least one year of eligible service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

At December 31, 2016, a wholly-owned subsidiary of Contran held approximately 93% of Valhi's outstanding common stock. Keystone, SWLL, Flight Proficiency and Dixie are wholly-owned subsidiaries of Contran and Medite is a wholly-owned subsidiary of Valhi. All of Contran's outstanding voting stock is held by a family trust established for the benefit of Lisa K. Simmons and Serena Simmons Connelly and their children, for which Ms. Simmons and Ms. Connelly are co-trustees, or is held directly by Ms. Simmons and Ms. Connelly or entities related to them. Consequently, Ms. Simmons and Ms. Connelly may be deemed to control the Employer and the Plan.

As permitted by ERISA, applicable Department of Labor regulations and the Internal Revenue Code, effective December 31, 2015, Keystone and Contran undertook a spin-off and merger involving the Keystone Employees' Retirement Plan for Inactive Participants ("Keystone Plan"), pursuant to which a specified group of participants in the Keystone Plan were transferred out of the Keystone Plan and merged into the Plan. As such, the Plan assumed the obligation to pay the pension benefits for this group of former Keystone Plan participants, and the Plan received $91.7 million from the Keystone Plan. ERISA and the Internal Revenue Code prescribe the method of determining the amount of Keystone Plan assets which were transferred to the Plan. Under the prescribed method, the amount of the Keystone Plan assets transferred to the Plan was based on the relative portion of the Keystone Plan pension liabilities transferred to the Plan, with such pension liabilities determined on an ERISA plan termination basis (as if the Keystone Plan had been terminated as of the date of the spin-off).

Contributions. Employer contributions are determined and paid annually in amounts sufficient to meet the minimum funding requirements of ERISA and to not exceed the maximum amounts currently deductible for federal income tax purposes. Employer contributions were nil in 2015 and 2016.

Pension benefits. Upon retirement or death, the participant or beneficiary may elect to receive one of a number of different payment methods as outlined in the Plan document.

Plan termination. The Employer has the right under the Plan to discontinue its contributions at any time and to terminate the Plan, in compliance with the provisions of ERISA. In the event the Plan is terminated, the accrued benefits of each participant would become fully vested to the extent funded. The net assets of the Plan, after providing for liquidation expenses, are to be allocated in accordance with Section 4044 of ERISA. To the extent unfunded vested benefits exist, ERISA provides that such benefits are payable to participants by the Pension Benefit Guaranty Corporation, subject to certain limitations.

Expenses of administering the Plan. To the extent not paid by the Plan, administrative expenses are paid by the Employer at its sole discretion. The Plan paid a significant portion of administrative expenses in 2015 and 2016.

Tax status. The Plan, as amended and restated effective January 1, 2012, has been notified by the Internal Revenue Service in a letter dated January 30, 2013, that it is a qualified plan under Section 401(a) of the Internal Revenue Code of 1986 (the "Code"), as amended, and is therefore exempt from federal income taxes under provisions of Section 501(a) of the Code. Although the Plan has been amended since receiving this determination letter, the Plan administrator believes the Plan is currently designed and is currently being operated in compliance with the applicable requirements of the Code.

The Plan's Annual Returns/Reports of Employee Benefit Plan prior to 2013 are closed to examination by the applicable tax authorities. The Plan had no significant uncertain tax positions for the years ended December 31, 2015 and 2016.

Note 2 - Summary of significant accounting policies:

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

Cash and cash equivalents. Cash equivalents consist principally of money market instruments with average maturities of three months or less.

Payment of benefits. Benefits are recorded when paid.

Management 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, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results may, in some instances, differ from previously estimated amounts.

Investment valuation and income recognition. The Plan's investments are stated at fair value. See Note 3 for a discussion of fair value measurements. The net appreciation (depreciation) for the year includes the Plan's gains and losses on investments bought and sold as well as held throughout the year and is reflected in the Plan's statements of changes in net assets available for benefits.

Subsequent events. The Plan has evaluated subsequent events through October 12, 2017, the date these financial statements were available to be issued.

Note 3 - The Combined Master Retirement Trust:

The assets of the Plan are held and the related investment transactions are executed by U.S. Bank National Association ("US Bank"), as custodian. Substantially all of the Plan's assets are invested in units of The Combined Master Retirement Trust (the "Combined Trust"), a collective investment trust which provides for the collective investment by various employee benefit plans maintained by the Employer and certain related corporations (the "Qualified Plans").

Investments held by the Combined Trust are stated at fair value. The fair value per Combined Trust unit is determined semi-monthly by dividing the fair value of the net assets of the Combined Trust by the number of units outstanding for the Combined Trust. Units are issued or redeemed based on the most recent unit value. In accordance with the plan of trust, net income from investment activities is distributed only through the redemption of units.

At December 31, 2015 and 2016, the Combined Trust had net assets of $648,786,030 and $637,826,422, respectively. Summarized financial information of the Combined Trust at December 31, 2015 and 2016, and the statement of changes in net assets for the years then ended are presented below. The Plan's interest in the Combined Trust's net assets is also presented below.

	December 31, 2015		December 31, 2016	
	Combined Trust	Plan's interest in the Combined Trust	Combined Trust	Plan's interest in the Combined Trust
Statements of Net Assets				
Investments, at fair value:				
Securities:				
Common stocks	$ 116,878,973	$ 27,051,297	**$ 123,113,731**	**$ 28,205,100**
Mutual funds	284,274,838	65,794,581	**266,827,852**	**61,129,707**
Commingled funds	159,777,285	36,979,986	**161,682,661**	**37,041,162**
Limited partnerships	35,402,432	8,193,790	**30,405,363**	**6,965,806**
Corporate bonds	29,902,364	6,920,815	**28,408,929**	**6,508,427**
U.S. government securities	12,530,018	2,900,036	**17,848,587**	**4,089,074**
Municipal bonds	4,500,399	1,041,604	**3,656,648**	**837,730**
Real estate mortgage notes	1,105,140	255,781	**868,577**	**198,989**
Cash and cash equivalents	3,573,371	827,046	**4,335,553**	**993,267**
Total investments	647,944,820	149,964,936	**637,147,901**	**145,969,262**
Other assets	695,668	161,010	**260,288**	**59,631**
Accrued interest and dividends	640,095	148,149	**609,193**	**139,566**
Total assets	649,280,583	150,274,095	**638,017,382**	**146,168,459**
Liabilities - payable for unsettled securities purchases	494,553	114,463	**190,960**	**43,749**
Net assets	$ 648,786,030	$ 150,159,632	**$ 637,826,422**	**$ 146,124,710**
Number of units outstanding	548,345	126,913	**515,135**	**118,017**
Net asset value per unit	$ 1,183.17	$ 1,183.17	**$ 1,238.17**	**$ 1,238.17**

Combined Trust - Statements of Changes in Net Assets	Years ended December 31, 2015	2016
Investment activities:		
Dividends	$ 12,804,432	$ 10,666,036
Interest	1,692,444	2,141,099
Partnership distributions	61,834	2,566,595
Other	25,033	19,523
	14,583,743	15,393,253
Investment, administrative and other expenses	931,555	906,126
Net investment income	13,652,188	14,487,127
Net realized and unrealized change in fair value of investments:		
Securities:		
Common stocks	(12,705,757)	6,453,379
Mutual funds	(16,364,333)	4,373,803
Commingled funds	(7,800,834)	1,858,675
Limited partnerships	999,835	644,224
Corporate bonds	(3,766,294)	1,992,967
U.S. government securities	6,655	(703,258)
Municipal bonds	(295,131)	102,440
Real estate mortgage notes	(46,855)	(110,417)
Total net realized and unrealized increase (decrease) in fair value of investments	(39,972,714)	14,611,813
Net increase (decrease) from investment activities	(26,320,526)	29,098,940
Unit transactions:		
Proceeds from issuance of units	294,913	11,227,202
Payments for redemption of units	(40,687,193)	(51,285,750)
Net decrease from unit transactions	(40,392,280)	(40,058,548)
Net decrease in net assets	(66,712,806)	(10,959,608)
Net assets at beginning of year	715,498,836	648,786,030
Net assets at end of year	$ 648,786,030	$ 637,826,422

The Plan and the Combined Trust carry their investments at fair value in accordance with Accounting Standards Codification ("ASC") Topic 820, Fair Value Measurements and Disclosures, which establishes a consistent framework for measuring fair value and is applied to all financial statement items required to be measured at fair value. The standard requires fair value measurements to be classified and disclosed in one of the following three categories:

- *Level 1* – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- *Level 2* – Quoted prices in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the assets or liability; and
- *Level 3* – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable.

The asset 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 maximize the use of observable inputs and minimize the use of unobservable inputs.

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

Common stocks: Investments are valued at the closing price reported on the active market on which the individual securities are traded. Other investments in this class that trade infrequently or not at all are valued based on recent third-party transactions in the investment, third-party valuations during the year, potential sales and other unobservable inputs.

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

Commingled funds: Investments are generally valued at the NAV. The NAV, as provided by the investment manager, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the Combined Trust will sell the investment for an amount different than the reported NAV. All of the Combined Trust's commingled funds were valued at the NAV at December 31, 2015 and 2016.

Limited partnerships: Investments are generally valued at the NAV. The NAV, as provided by the investment manager, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the Combined Trust will sell the investment for an amount different than the reported NAV. All of the Combined Trust's limited partnerships eligible to be valued at the NAV were valued at the NAV at December 31, 2015 and 2016. Other investments in this class, not eligible to be valued at the NAV, trade infrequently or not at all and are valued based on financial information obtained from the issuer, current and projected financial condition and results of operations of the issuer and other unobservable inputs. Due to the inherent uncertainty of these estimates, these values may differ materially from the values that would have been used had a ready market for these investments existed.

Corporate bonds: Investments are valued by a third-party pricing source using pricing models maximizing the use of observable inputs for same or similar securities. This includes basing value on yields currently available on same or comparable securities of issuers with similar credit ratings.

U.S. government securities: Investments are valued by a third-party pricing source using pricing models maximizing the use of observable inputs for same or similar securities.

Municipal bonds: Investments are valued by a third-party pricing source using pricing models maximizing the use of observable inputs for same or similar securities. This includes basing value on yields currently available on same or comparable securities of issuers with similar credit ratings.

Real estate mortgage notes: Real estate mortgage notes are valued based on the Developer's estimate of actual and projected sales for the projects.

Cash and cash equivalents: Investments are valued at the daily closing price as reported by the money market fund. The money market fund held by the Combined Trust is an open-end mutual fund that is registered with the U.S. Securities and Exchange Commission. This fund is required to publish its daily NAV and to transact at that price. The money market fund held by the Combined Trust is deemed to be actively traded.

The following table sets forth by level, within the fair value hierarchy of ASC Topic 820, *Fair Value Measurements and Disclosures*, the Combined Trust's investments at fair value as of December 31, 2015 and 2016.

	Fair Value at Reporting Date Using			
	Total	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	(In thousands)			
December 31, 2015:				
Securities:				
Common stocks	$ 116,879	$ 62,357	$ -	$ 54,522
Mutual funds	284,275	284,275	-	-
Limited partnerships	633	-	-	633
Corporate bonds	29,902	-	29,902	-
U.S. government securities	12,530	-	12,530	-
Municipal bonds	4,501	-	4,501	-
Real estate mortgage notes	1,105	-	-	1,105
Cash and cash equivalents	3,573	3,573	-	-
Total assets in the fair value hierarchy	453,398	350,205	46,933	56,260
Investments measured at net asset value [(a)]	194,547	-	-	-
Investments at fair value	$ 647,945	$ 350,205	$ 46,933	$ 56,260
December 31, 2016:				
Securities:				
Common stocks	**$ 123,114**	**$ 72,745**	**$ -**	**$ 50,369**
Mutual funds	**266,828**	**266,828**	-	-
Limited partnerships	**196**	-	-	**196**
Corporate bonds	**28,409**	-	**28,409**	-
U.S. government securities	**17,848**	-	**17,848**	-
Municipal bonds	**3,657**	-	**3,657**	-
Real estate mortgage notes	**869**	-	-	**869**
Cash and cash equivalents	**4,336**	**4,336**	-	-
Total assets in the fair value hierarchy	**445,257**	**343,909**	**49,914**	**51,434**
Investments measured at net asset value [(a)]	**191,891**	-	-	-
Investments at fair value	**$ 637,148**	**$ 343,909**	**$ 49,914**	**$ 51,434**

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

The following table sets forth a summary of changes in the fair value of the Level 3 assets of the Combined Trust's level 3 assets for the years ended December 31, 2015 and 2016.

	Level 3 Assets			
		Securities		Real estate mortgage notes
	Total	Common stocks	Limited partnerships	
	(In thousands)			
Level 3 fair value at December 31, 2014	$ 109,545	$ 96,350	$ 11,698	$ 1,497
Realized gain, net	34,460	22,435	11,680	345
Unrealized loss, net	(45,935)	(34,478)	(11,065)	(392)
Purchases	26	26	-	-
Sales	(41,836)	(29,811)	(11,680)	(345)
Level 3 fair value at December 31, 2015	56,260	54,522	633	1,105
Realized gain, net	126	-	-	126
Unrealized loss, net	(4,599)	(4,183)	(180)	(236)
Purchases	30	30	-	-
Sales	(383)	-	(257)	(126)
Level 3 fair value at December 31, 2016	$ 51,434	$ 50,369	$ 196	$ 869
The amount of total losses for 2016 included in net increase in net assets resulting from operations attributable to the net change in unrealized gains relating to Level 3 assets still held at December 31, 2016	$ (4,599)	$ (4,183)	$ (180)	$ (236)

The Combined Trust's policy is to recognize transfers into and out of Level 3 as of December 31st. There were no transfers between levels in the fair value hierarchy during 2015 and 2016. Additional information concerning the Combined Trust's significant level 3 assets as of December 31, 2016 (comprised only of common stocks) is presented below. The Combined Trust has no unfunded commitments with respect to these investments at December 31, 2016.

Common stocks: This class includes investments in privately held companies primarily in the education and financial industries that are focused on growth. The Combined Trust's investment in these companies can only be sold with the approval of the respective issuer.

The following tables summarize the valuation methodology and significant unobservable inputs used for the Combined Trust's investments in securities that are categorized within Level 3 of the fair value hierarchy as of December 31, 2015 and 2016:

Assets	Fair value at December 31, 2015 (In thousands)	Valuation technique	Unobservable inputs	Range of inputs (Weighted average, as applicable)
Common stocks:				
Education	$ 53,413	Market Approach/ Market Comparables	Appraised value	100%
Financial	1,109	Market Approach/ Market Comparables	Recent transaction in same security	N/A
Total common stocks	54,522			
Limited partnership - Private equity fund – General*	633			
Total Level 3 securities	$ 55,155			

Assets	Fair value at December 31, 2016 (In thousands)	Valuation technique	Unobservable inputs	Range of inputs (Weighted average, as applicable)
Common stocks:				
Education	$ 49,067	Market Approach/ Market Comparables	Appraised value	100%
Financial	1,302	Market Approach/ Market Comparables	Recent transaction in same security	N/A
Total common stocks	50,369			
Limited partnership - Private equity fund – General*	196			
Total Level 3 securities	$ 50,565			

* Consists of a private equity fund not considered significant for disclosure of valuation methodology and unobservable inputs.

The following table summarizes the Combined Trust's investments for which fair value is measured using the NAV per share practical expedient as of December 31, 2015 and 2016.

Investments	Fair value at December 31, 2015	Unfunded commitments	Redemption frequency (if currently eligible)	Redemption notice period
	(In thousands)			
Commingled funds:				
Fixed income funds	$ 47,985	n/a	Daily	1 day
Growth funds	77,793	n/a	Daily-Monthly	1-30 days
Hedge funds	34,000	n/a	*	*
Total commingled funds	159,778			
Limited partnerships	34,769	$ 894	*	*
Investments measured at NAV practical expedient	$ 194,547	$ 894		

Investments	Fair value at December 31, 2016	Unfunded commitments	Redemption frequency (if currently eligible)	Redemption notice period
	(In thousands)			
Commingled funds:				
Fixed income funds	$ 50,072	n/a	Daily	1 day
Growth funds	77,206	n/a	Daily-Monthly	1-30 days
Hedge funds	34,404	n/a	*	*
Total commingled funds	161,682			
Limited partnerships	30,209	$ 684	*	*
Investments measured at NAV practical expedient	$ 191,891	$ 684		

* See discussion regarding redemptions below.

Commingled funds – Fixed income funds: This class includes fixed income funds with the investment objective to provide returns 300 to 500 basis points above the 3-Month LIBOR after fees over a full market cycle. The funds invest primarily in fixed income securities along with derivatives and currencies in markets including developing markets.

Commingled funds – Growth funds: This class includes growth funds with the investment objective to seek long-term capital appreciation over the medium to long term in all market conditions. These funds invest mainly in equity securities across a broad capitalization range of companies and countries including securities in emerging market countries.

Commingled funds – Hedge funds: This class includes hedge funds with the investment objective to seek above average returns over time with lower risk than traditional investments. The funds may use any number of strategies including convertible arbitrage, distressed credit, long/short equity, event driven, fixed income arbitrage, managed futures and niche strategies. One fund, valued at $17.2 million at December 31, 2016, may be redeemed monthly with not less than 61 days notice and redemptions may be suspended or delayed at the discretion of the manager. Another fund, valued at $13.6 million at December 31, 2016, may be redeemed quarterly with not less than 65 days notice and redemptions may be suspended or delayed at the discretion of the manager. For the third fund in this class, valued at $3.6 million at December 31, 2016, redemptions may be made annually after a three year lock-up with 180 days notice.

Limited partnerships: This class includes investment in private equity funds that have different areas of focus with the goal of capital appreciation. The agreements covering certain of the Combined Trust's limited partnership interests contain provisions that obligate the Combined Trust to invest additional amounts when and as determined by the general partner. Each of the commitment periods are subject to extension and amendment as provided in the respective limited partnership agreements. At December 31, 2016, the commitment periods range from 2017 through 2023. One fund, valued at $20.1 million at December 31, 2016, may be partially redeemed with at least 60 days notice. The remaining Combined Trust investment in that fund may only be redeemed as the underlying investments are liquidated. The remaining private equity funds in this class may be redeemed only with the approval of the general partner of the partnership, and only as the underlying investments are liquidated. It is estimated that the existing underlying assets of all of these funds would be liquidated over the next 1 to 7 years.

Note 4 - Actuarial present value of accumulated benefits:

Accumulated plan benefits are those estimated future payments that are attributable under the Plan's provisions to the services employees have rendered. Accumulated plan benefits include benefits expected to be paid to (i) retired and terminated vested participants or their spouses, (ii) spouses of deceased participants, and (iii) active participants or their spouses. Benefits payable under all circumstances (retirement, death and termination of employment) are included to the extent they are deemed attributable to employee services rendered to the valuation date.

The actuarial present value of accumulated benefits is determined by independent actuaries and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as those for post-retirement mortality) between the valuation date and the expected date of payment. Actuarial valuations are determined at January 1 of each Plan year. Due to the changing nature of these assumptions, it is at least reasonably possible that changes in these assumptions will occur in the near term and, due to the uncertainties inherent in setting assumptions, that the effect of such changes could be material to the actuarial present value calculation.

The significant actuarial assumptions used in the valuations as of December 31, 2015 and 2016 were (i) life expectancy of participants – RP-2014 Mortality table, projected generationally using Scale MP-2015 for 2015 and Scale MP-2016 for 2016; (ii) retirement age assumption – the earliest age at which employees are eligible for unreduced benefits; and (iii) interest rate – 7.5%.

The actuarial present value of accumulated benefits and the changes in the actuarial present value of accumulated benefits are summarized below.

	December 31,	
	2015	2016
	(In thousands)	
Actuarial present value of accumulated plan benefits:		
Vested benefits:		
Participants currently receiving payments	$ 86,628	**$ 82,867**
Active participants	15,073	**13,496**
Terminated participants with vested rights	11,831	**10,645**
	113,532	**107,008**
Nonvested benefits	2,841	**1,965**
Total actuarial present value of accumulated plan benefits	$ 116,373	**$ 108,973**

	Years ended December 31,	
	2015	2016
	(In thousands)	
Actuarial present value of accumulated plan benefits at beginning of year	$ 57,314	$ 116,373
Change during the year attributable to:		
Pension benefit obligation of former Keystone Plan participants transferred to and assumed by the Plan (See Note 1)	54,854	(1,927)
Increase for interest	4,157	8,345
Benefits paid to participants	(3,836)	(10,406)
Net benefits accumulated	1,615	1,159
Actuarial experience loss (gain)	2,269	(3,084)
Change in actuarial assumptions	-	(1,487)
Net increase (decrease)	59,059	(7,400)
Actuarial present value of accumulated plan benefits at end of year	$ 116,373	$ 108,973

Note 5 – Recent accounting pronouncements adopted:

In January 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2016-01, *Financial Instruments (Subtopic 825-10) - Overall Recognition and Measurement of Financial Assets and Financial Liabilities*. ASU No. 2016-01 amended ASC 825, *Financial Instruments*, which eliminates the requirement to disclose the fair value of financial instruments not recorded at fair value required under ASC 825. This ASU is effective for years beginning after December 15, 2018 with early adoption permitted. The Plan has elected to early adopt this ASU as of December 31, 2016. There was no significant impact to the financial statements as a result of the adoption.

In February 2017, FASB issued ASU No. 2017-06, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), and Health and Welfare Benefit Plans (Topic 965) - Employee Benefit Plan Master Trust Reporting*. ASU No. 2017-06 amends the Combined Trust disclosure to require additional disclosures related to the Plan's interest in the Combined Trust. This ASU is effective for fiscal years beginning after December 15, 2018 and is required to be applied retrospectively for all comparative periods presented with early adoption permitted. The Plan has elected to early adopt this ASU as of December 31, 2016. As a result of early adoption, additional disclosures related to the Plan's interest in the Combined Trust have been made and applied retrospectively as required by the standard. See Note 3. There was no impact on the Plan's net assets or changes in net assets.

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

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

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan
Contran Corporation Pension Plan

B Three-digit plan number (PN) ▶ 003

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
Contran Corporation

D Employer Identification Number (EIN)
74-1646336

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1 Enter the valuation date: Month 1 Day 1 Year 2016

2 Assets:

a Market value	**2a**	150,159,632
b Actuarial value	**2b**	150,159,632

3 Funding target/participant count breakdown

	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	2,458	92,222,352	92,222,352
b For terminated vested participants	340	13,248,144	13,248,144
c For active participants	114	17,676,278	20,537,635
d Total	2,912	123,146,774	126,008,131

4 If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ]

a Funding target disregarding prescribed at-risk assumptions	**4a**	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	**4b**	
5 Effective interest rate	**5**	6.00 %
6 Target normal cost	**6**	2,101,220

Statement by Enrolled Actuary

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

SIGN HERE

Signature of actuary

9/29/17
Date

Michael Morin
Type or print name of actuary

17-04030
Most recent enrollment number

Milliman
Firm name

(214) 863-5500
Telephone number (including area code)

10000 N. Central Expressway
Suite 1500
Dallas TX 75231
Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of Year Carryover and Prefunding Balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	6,119	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	6,119	0
10	Interest on line 9 using prior year's actual return of -2.43%	-149	0
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		0
	b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of 6.31%		0
	b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
	c Total available at beginning of current plan year to add to prefunding balance		0
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections		0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	5,970	0

Part III Funding Percentages

14	Funding target attainment percentage	14	119.16%
15	Adjusted funding target attainment percentage	15	119.16%
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	103.93%
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and Liquidity Shortfalls

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

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
			Totals ▶ 18(b)	0	18(c) 0

19	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
	a Contributions allocated toward unpaid minimum required contributions from prior years	19a	0
	b Contributions made to avoid restrictions adjusted to valuation date	19b	0
	c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	0

20 Quarterly contributions and liquidity shortfalls:

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

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

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

Liquidity shortfall as of end of quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

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

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
4.43 %	5.91 %	6.65 %	☐ N/A, full yield curve used

b Applicable month (enter code)	**21b**	0
22 Weighted average retirement age	**22**	65

23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):		
a Target normal cost (line 6)	**31a**	2,101,220
b Excess assets, if applicable, but not greater than line 31a	**31b**	2,101,220

32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	**33**	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	**34**	0

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement			0

36 Additional cash requirement (line 34 minus line 35)	**36**	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	0
38 Present value of excess contributions for current year (see instructions)		
a Total (excess, if any, of line 37 over line 36)	**38a**	0
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	**38b**	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	**39**	0
40 Unpaid minimum required contributions for all years	**40**	0

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

41 If an election was made to use PRA 2010 funding relief for this plan:

a Schedule elected ☐ 2 plus 7 years ☐ 15 years

b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

42 Amount of acceleration adjustment	**42**	
43 Excess installment acceleration amount to be carried over to future plan years	**43**	

Attachment to 2016 Form 5500
Schedule SB, line 22 – Weighted Average Retirement Age

Plan Name: Contran Corporation Pension Plan
Plan Sponsor: Contran Corporation

EIN: 74-1646336
PN: 003

Age	Expected Active Headcount	Retirement Rate	Expected Retirements	Weighted Age
60	97.2242	0.1321	12.8456	770.7348
61	86.1122	0.0229	1.9729	120.3496
62	85.8432	0.0228	1.9603	121.539
63	83.5604	0	0	0
64	85.2055	0.0573	4.8824	312.4708
65	81.9541	1	81.9541	5327.016
66	0	1	0	0
67	0	1	0	0
68	0	1	0	0
69	1	0	0	0
70	0.9939	0	0	0
71	2.9877	0.6694	2	142
72	0.9807	0	0	0
73	1.9723	0.507	1	73
74	0.9615	1	0.9615	71.1478
75	1	1	1	75
76	0	1	0	0
77	0	1	0	0
78	1	1	1	78
79	0	1	0	0
80	1	1	1	80
Total			110.5767	7171.258
Average				64.85

Attachment to 2016 Form 5500
Schedule SB, part V - Schedule of Actuarial Assumptions/Methods
Plan Name: Contran Corporation Pension Plan
Plan Sponsor: Contran Corporation
EIN: 74-1646336
PN: 003

The ultimate cost of a pension plan is the excess of actual benefits and administrative expenses paid over actual net investment return on plan assets during the plan's existence until the last payment has been made to the last participant. A plan's "actuarial cost method" determines the expected incidence of actuarial costs by allocating portions of the ultimate cost to each plan year. The cost method is thus a budgeting tool to help ensure that a plan will be adequately and systematically funded. Annual contributions are also affected by a plan's "asset valuation method" (as well as plan provisions, actuarial assumptions, and actual plan demographic and investment experience each year).

Actuarial Cost Method

The actuarial cost method used for determining the Plan's ERISA funding requirements and the FASB ASC Topic 960 values is the Unit Credit method. Under this method, an accrued benefit is determined at each active participant's assumed retirement age based on compensation and service at both the beginning and the end of the current year. The Plan's normal cost is the sum of the present value of the excess of each active participant's accrued benefit at the end of the current year over that at the beginning of the current year. The Plan's accrued liability is the sum of (a) the present value of each active participant's accrued benefit at the beginning of the current year plus (b) the present value of each inactive participant's benefits.

Asset Valuation Method

The Actuarial Value of Assets used for determining the Plan's ERISA funding requirements is equal to the Adjusted Market Value of Assets.

Changes in Actuarial Methods since Prior Valuation

None

ECONOMIC ASSUMPTIONS

Interest Rates

The current funding and PBGC interest rates are as follows. The funding interest rates are prescribed under IRS regulations based on the Plan Sponsor's interest rate election. The PBGC interest rates are based on the Plan Sponsor's elected method for determining the premium funding target.

	Minimum Funding	Maximum Deductible	PBGC Premium
Segment 1 (0-5 years)	4.43%	1.41%	1.41%
Segment 2 (5-20 years)	5.91%	3.96%	3.96%
Segment 3 (20+ years)	6.65%	4.97%	4.97%
Effective Interest Rate	6.00%	4.14%	4.14%

ERISA minimum funding: 24-month average segment rates, using no lookback period, adjusted to reflect the applicable segment rate stabilization corridor.

Maximum Deductible Contribution: 24-month average segment rates, using no lookback period, but not adjusted to reflect segment rate stabilization.

PBGC premium: Spot segment rates for the month preceding the valuation date, but not adjusted to reflect segment rate stabilization. The standard method is used for the PBGC variable rate premium calculation.

FASB ASC Topic 960: 7.50% per year. This is the assumed rate of return for the Plan's entire portfolio of assets, net of investment expenses and including assumed inflation rate of 2.30%. It is based on the Plan's investment policy, including target asset allocation, and Milliman's capital market expectations.

Compensation Increases

4.00% per year, with increases assumed to occur at beginning of year. This assumption represents an estimate of future experience.

Postretirement Benefit Increases

None. (The Plan does not provide for automatic postretirement benefit increases.)

Social Security Taxable Wage Base Increases

None assumed.

Administrative Expenses

Expected administrative expenses payable from the trust are explicitly loaded to the normal cost. For the current valuation, the loading for expenses (assumed to be payable at the beginning of the year) is $400,000.

DEMOGRAPHIC ASSUMPTIONS

Except where noted, all demographic assumptions are based on the actuary's judgment and continual review of experience.

Mortality

ERISA minimum funding, Maximum Deductible Contribution, and PBGC premium: Statutory static tables for 2016 based on RP-2000 Mortality Table projected to anticipate greater future longevity, with separate rates for non-annuitants and annuitants.

FASB ASC Topic 960: Generational tables based on RP-2014 Mortality Table adjusted backward to 2006 with MP-2014 and projected forward with MP-2015, with separate rates for non-annuitants and annuitants (adopted December 31, 2015). As a generational table, it reflects mortality improvements both before and after the measurement date. The Society of Actuaries' Retirement Plans Experience Committee recommends use of the RP-2014 table and MP-2015 scales for valuing retirement plan liabilities.

Retirement

Medite: Participants are assumed to retire at age 62 if eligible for unreduced benefit, otherwise age 65.

Valhi: Participants are assumed to retire at the earlier of age 59½ and the first date that age plus years of vesting service are equal to or greater than 90 years, or age 65.

Turnover

None assumed.

Disability

None assumed.

Decrement Timing

Decrements are assumed to occur at the middle of the year, except that 100% retirement (see above) is assumed to occur at the beginning of the year.

Form of Payment

100% Joint & Survivor annuity.

Marital Characteristics

For participants not in pay status: 100% of participants are assumed to be married to a spouse of the opposite sex. Males are assumed to be 3 years older than females.

For participants in pay status: Actual birth dates of spouses are included in the census data, where relevant.

Benefits Not Valued

None.

Special Data Adjustments

None

CHANGES IN ACTUARIAL ASSUMPTIONS SINCE PRIOR VALUATION

Interest rates for ERISA minimum funding: From 4.72%, 6.11%, and 6.81% per year to 4.43%, 5.91%, and 6.65% per year, respectively, as required by statute.

Interest rates for Maximum Deductible Contribution: From 1.22%, 4.11%, and 5.20% per year to 1.41%, 3.96%, and 4.97% per year, respectively, as required by statute.

Interest rates for PBGC premiums: Effective January 1, 2016, the interest rates used for PBGC variable rate premium purposes were updated to the spot segment rates in effect for the month preceding the valuation date, but not adjusted to reflect segment rate stabilization. The interest rates were updated to comply with PBGC requirements.

Mortality for ERISA minimum funding, Maximum Deductible Contribution, and PBGC premium: From statutory tables for 2015 to statutory tables for 2016.

Mortality for FASB ASC Topic 960 purposes: Effective December 31, 2015, mortality was updated to reflect the new MP-2015 mortality improvement scale released by the Society of Actuaries' Retirement Plans Experience Committee.

Attachment to 2016 Form 5500
Schedule SB, part V - Schedule of Plan Provisions
Plan Name: Contran Corporation Pension Plan
Plan Sponsor: Contran Corporation
EIN: 74-1646336
PN: 003

This summary of plan provisions is intended to only describe the essential features of the Plan. All eligibility requirements and benefit amounts shall be determined in strict accordance with the plan document itself.

Definitions

Accrued Benefit: Determined using the same formula which is used to compute such Participant's Normal Retirement Benefit, taking into account the Participant's Benefit Years and Average Compensation through the date of determination.

Actuarially Equivalent: Equality in value such that the present value of the amount under any form of payment is essentially the same as the present value of the amount under the normal form of annuity payment for single participants. In general, for purposes other than determining lump sum amounts, actuarially equivalent factors are based on the 1983 Group Annuity Mortality Table using unisex rates which are blended using 80% male rates and 20% female rates and an interest rate of 8.5%. For purposes of determining lump sum distribution amounts, actuarially equivalent factors are based on the applicable mortality table specified in IRS Notice 2013-49 for the plan year of distribution and the annual rate of interest on a 30-year Treasury securities in effect for the month of January of the Plan Year of distribution.

Average Compensation: Determined by dividing the total Compensation he received during all years of employment by the number of months during such period for which he received Compensation.

A Participant's excess monthly Average Compensation is that portion, if any, of his monthly Average Compensation which is in excess of his monthly Average Wage Base.

Average Wage Base: One-twelfth of an amount equal to the maximum amount of earnings considered as wages for that plan year under Section 3121(a)(1) of the Code (or under any comparable section or sections of legislation that amends, supplements or supersedes Section 3121(a)(1)) as in effect as of the first day of that year.

Compensation: FICA wages without regard to the Social Security taxable wage base, including bonuses, overtime, commissions, or deferred compensation, but excluding:

- Non-cash compensation and any amounts contributed by the employer for the participant's benefit to, or paid to the participant under, this plan or any other retirement or benefit plan maintained by the employees; provided that any amounts which are treated as salary reduction contributions and used to purchase non-taxable benefits under Section 125 or 401(k) of the Internal Revenue Code shall be included in his earnings.
- Reimbursements for medical, dental or travel expenses, automobile allowances, relocation allowances, educational assistance allowances or other special allowances and awards.
- Income realized for federal income tax purposes as a result of (i) group life insurance, (ii) personal use of an employer owned automobile, (iii) grant or exercise of option(s) to acquire shares of stock of any Valhi Company (whether or not related to or in lieu of the exercise of such option(s)) or the disposition of shares acquired on exercise of such an option, or (iv) transfer of restricted shares of stock or restricted property of a Valhi Company, or the removal of any such restrictions.
- Compensation paid or payable to the participant, or to any governmental body or agency on account of the participant, under the terms of any state, federal or foreign law requiring the payment of such compensation because of the participant's voluntary or involuntary termination or employment with any Valhi Company.

In accordance with Internal Revenue Code Section 401(a)(17), annual Compensation in excess of $265,000 (or such other maximum amount as may be permitted pursuant to Section 401(a)(17) of Code or from time to time by the secretary of the Treasury or his delegate or by law) is disregarded.

Effective Date: The Effective Date of the Plan as amended and restated is January 1, 1998. As of January 1, 1994, the Medford Corporation Employees' Pension Plan (for salaried employees) was merged in to the Medford Corporation Retirement Plan For Hourly Paid Employees. As of January 1, 2001, the Valhi, Inc. Pension Plan was merged in to the Medite Corporation Retirement Plan. The Plan was then renamed Contran Corporation Pension Plan.

Eligible Employee Classification: A classification of Employees, the members of which are eligible to participate in the Plan. The Plan covers all employee classifications except:

- employees who are members of a collective bargaining unit,
- resident aliens in the U.S. on a temporary basis (unless specifically included by the plan administrator),
- nonresident aliens,
- leased employees,
- independent consultants or contract employees,
- independent contractors, and
- any person classified by an employer in its sole discretion as a leased employee, independent consultant, contract employee of independent contractor regardless of whether such person is subsequently determined by a government agency or court to be other than as classified by the employer.

Employers Included: Medite Corporation and any adopting affiliate.

Plan Administrator: Contran Corporation.

Plan Year: The 12 month period beginning January 1 and ending December 31.

Year of Service:

For Eligibility Purposes: A Year of Eligibility Service, for purposes of eligibility to participate in the Plan, is credited for each Computation Period during which an Employee is credited with at least 1000 Hours of Service. The Computation Period is the 12 consecutive month period beginning with the Employee's Employment Commencement Date and anniversaries thereof. All of an Employee's Years of Eligibility Service are taken into account in determining his eligibility to participate.

For Benefit Purposes: Determined using the Elapsed Time Method.

All of a Participant's Years of Accrual Service are taken into account in determining his monthly benefit except:

- Fractional months,
- Service prior to July 1, 1982, and
- Service in excess of 30 years. The 30 year service provision was modified as of December 13, 2010, such that the benefit only takes into account the 30 years of benefit service which produces the highest benefit.

For Vesting Purposes: Determined using the Hours of Service Method. A Year of Vesting Service, for purposes of computing a Participant's Vested Percentage, is credited for each Plan Year in which an Employee is credited with at least 1,000 Hours of Service. All of a Participant's Years of Vesting Service are taken into account in determining his Vested Percentage.

Eligibility for Participation

The January 1st or July 1st which coincides with or next follows the attainment of age 21 and the completion of one Year of Eligibility Service.

Normal Retirement

Each Participant who becomes eligible for a Normal Retirement Benefit under the plan will be entitled to receive a monthly retirement pension benefit beginning at the Participant's Normal Retirement Date and payable in the Normal Benefit Form.

Normal Retirement Date: The first day of the month which coincides with or next follows the date on which the Participant attains age 65 or the fifth anniversary of the date he became a plan participant.

A Participant who has attained age 59½ but who has not yet attained age 65 shall be considered as having attained his Normal Retirement Date on the first date that such Participant's age and years of vesting service total 90 years or more.

Normal Retirement Benefit: An annual pension benefit commencing on his Normal Retirement Date payable in the Normal Benefit Form in an amount equal to:

- 1.20% of Average Compensation, plus
- 0.55% of Average Compensation in excess of Average Wage Base

for each year of Benefit Service.

Early Retirement

Early Retirement Date: The first day of the month coincident with or next following the date upon which the Participant satisfies the following requirements:

- **Medite:** attainment of age 55 and completion of 5 Years of Service
- **Valhi:** attainment of age 60 and completion of 10 Years of Service.

Early Retirement Benefit: Equal to:

- **Medite:** a pension benefit determined as of his Early Retirement based on Benefit Years and compensation up to Early Retirement Date. The benefit is unreduced after age 62 and is reduced by 5% per year prior to age 62 with interpolation between whole years. For hourly participants terminated prior to 1976 and salaried participants terminated prior to 1989 the reduction applies from age 65.
- **Valhi:** the Actuarial Equivalent of the Participant's Accrued Benefit determined as of his Early Retirement Date.

Deferred Retirement

Deferred Retirement Date: The first day of the month coincident with or next following the date of termination of service if it occurs after the Normal Retirement Date.

Deferred Retirement Benefit: The Accrued Benefit determined as of the Normal Retirement Date and actuarially increased to the Deferred Retirement Date.

Termination

Termination Date: The date of termination of service for any reason other than retirement or death.

Termination Benefit: The Accrued Benefit, multiplied by the vested percentage in the following table, payable at the Normal Retirement Date.

Years of Vesting Service	Vested Percentage
Less than 5	0%
5 or more	100

Preretirement Death

Preretirement Death Benefit Eligibility: Surviving spouses of participants with a vested Accrued Benefit who die before commencement of payments.

Preretirement Death Benefit: The greater of:

- the monthly amount payable to the surviving spouse under a Joint & Survivor Pension assuming the participant had terminated employment as of his date of death and his annuity commencement date was to occur on the first day of the calendar month coincident with or next following the later to occur of the date of his death or the date so elected by his surviving spouse, and
- the monthly actuarial equivalent of 100 times the monthly benefit determined by the Normal Retirement Benefit formula based on service and Average Compensation assuming the participant had survived to Normal Retirement Date and the participant's monthly Average Compensation remained level from the date of death to the Normal Retirement Date.

Forms of Payment

Normal Forms: Lifetime Pension with 5 Years Certain for Medite; Joint & Survivor Pension for Valhi.

Optional Forms for Medite: actuarially equivalent life annuity; actuarially equivalent Joint & Survivor Pension with 5 Years Certain; lump sum distribution (the Actuarial Equivalent of a Participant's benefit accrued as of December 31, 1989 under the Prior Salaried Plan and the balance of the benefit in another optional form).

Optional Forms for Valhi: None.

Changes in Plan Provisions since Prior Valuation

None

Attachment to 2016 Form 5500
Schedule SB, line 26 – Schedule of Active Participant Data

Plan Name: Contran Corporation Pension Plan EIN: 74-1646336
Plan Sponsor: Contran Corporation PN: 003

Number of Participants by Age and Service Groups

	Years of Vesting Service										
Age	**<1**	**1-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25-29**	**30-34**	**35-39**	**40&Up**	**Total**
0-24	-	-	-	-	-	-	-	-	-	-	-
25-29	-	1	-	1	-	-	-	-	-	-	2
30-34	-	3	1	-	-	-	-	-	-	-	4
35-39	-	4	8	1	-	-	-	-	-	-	13
40-44	-	1	9	5	-	-	-	-	-	-	15
45-49	-	-	6	10	4	-	-	-	-	-	20
50-54	-	2	3	7	4	1	2	-	-	-	19
55-59	1	2	7	4	1	1	3	4	-	-	23
60-64	-	-	4	4	-	-	1	1	-	-	10
65-69	-	-	1	-	-	-	-	1	-	-	2
70&Up	-	-	-	1	1	1	2	1	-	-	6
Total	1	13	39	33	10	3	8	7	-	-	114