

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

Part II	Basic Plan Information —enter all requested information		
1a	Name of plan <u>KOLLSMAN, INC. DEFINED BENEFIT RETIREMENT PLAN</u>	1b	Three-digit plan number (PN) ► <u>002</u>
		1c	Effective date of plan <u>01/01/1996</u>
2a	Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>KOLLSMAN, INC.</u> <u>220 DANIEL WEBSTER HIGHWAY</u> <u>MERRIMACK, NH 03054-4844</u>	2b	Employer Identification Number (EIN) <u>02-0485231</u>
		2c	Plan Sponsor's telephone number <u>603-889-2500</u>
		2d	Business code (see instructions) <u>333310</u>

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

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

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

3a Plan administrator's name and address ☐ Same as Plan Sponsor KOLLSMAN, INC. 220 DANIEL WEBSTER HIGHWAY MERRIMACK, NH 03054-4844	3b Administrator's EIN 02-0485231
	3c Administrator's telephone number 603-889-2500
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 767
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) 281
a(2) Total number of active participants at the end of the plan year	6a(2) 263
b Retired or separated participants receiving benefits.....	6b 267
c Other retired or separated participants entitled to future benefits	6c 200
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 730
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	6e 34
f Total. Add lines 6d and 6e	6f 764
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 0
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 3F 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)	9b Plan benefit arrangement (check all that apply)
(1) ☐ Insurance	(1) ☐ Insurance
(2) ☐ Code section 412(e)(3) insurance contracts	(2) ☐ Code section 412(e)(3) insurance contracts
(3) ☒ Trust	(3) ☒ Trust
(4) ☐ General assets of the sponsor	(4) ☐ General assets of the sponsor

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

a Pension Schedules

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

b General Schedules

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

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

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

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

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

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

Receipt Confirmation Code _____

SCHEDULE 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
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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 <u>KOLLSMAN, INC. DEFINED BENEFIT RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>KOLLSMAN, INC.</u>	D Employer Identification Number (EIN) <u>02-0485231</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2016</u>	
2 Assets:	
a Market value	2a <u>37079303</u>
b Actuarial value	2b <u>39367694</u>
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.....	<u>287</u> <u>15418805</u> <u>15418805</u>
b For terminated vested participants.....	<u>199</u> <u>7868216</u> <u>7868216</u>
c For active participants.....	<u>281</u> <u>19778834</u> <u>19928400</u>
d Total.....	<u>767</u> <u>43065855</u> <u>43215421</u>
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 <u>6.12 %</u>
6 Target normal cost.....	6 <u>1852869</u>

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		<u>10/11/2017</u>
	Signature of actuary	Date
<u>JEFFREY C. LITER</u>	Type or print name of actuary	<u>17-06544</u>
		Most recent enrollment number
<u>THE ANGELL PENSION GROUP, INC.</u>	Firm name	<u>401-438-9250</u>
<u>88 BOYD AVENUE</u> <u>EAST PROVIDENCE, RI 02914</u>	Address of the firm	Telephone number (including area code)

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 ☐

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

Schedule SB (Form 5500) 2016
v. 160205

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)	0	542
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)	0	542
10 Interest on line 9 using prior year's actual return of <u>-1.59%</u>	0	-9
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		93
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 <u>6.32%</u>		5
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		98
d Portion of (c) to be added to prefunding balance		98
12 Other reductions in balances due to elections or deemed elections		
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	631

Part III Funding Percentages		
14 Funding target attainment percentage	14	91.09%
15 Adjusted funding target attainment percentage	15	91.09%
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	94.49%
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
04/14/2016	633732	0			
07/14/2016	633732	0			
10/12/2016	633732	0			
01/12/2017	633732	0			
09/14/2017	750539	0			
Totals ▶			18(b)	3285467	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	3116793

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
0	0	0	0

Part V	Assumptions Used to Determine Funding Target and Target Normal Cost		
21	Discount rate:		
a	Segment rates:	<div style="display: flex; justify-content: space-around;"> <div>1st segment: 4.43%</div> <div>2nd segment: 5.91%</div> <div>3rd segment: 6.65%</div> </div>	☐ N/A, full yield curve used
b	Applicable month (enter code)	21b	4
22	Weighted average retirement age	22	63
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	1852869
b	Excess assets, if applicable, but not greater than line 31a	31b	0
32	Amortization installments:	Outstanding Balance	Installment
a	Net shortfall amortization installment	3848358	1263814
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	0
34	Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	3116683
	Carryover balance	Prefunding balance	Total balance
35	Balances elected for use to offset funding requirement	0	0
36	Additional cash requirement (line 34 minus line 35)	36	3116683
37	Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	3116793
38	Present value of excess contributions for current year (see instructions)		
a	Total (excess, if any, of line 37 over line 36)	38a	110
b	Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0
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) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2016
		This Form is Open to Public Inspection.

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

A Name of plan KOLLSMAN, INC. DEFINED BENEFIT RETIREMENT PLAN	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 KOLLSMAN, INC.	D Employer Identification Number (EIN) 02-0485231

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation	
VANGUARD GROUP INC.	100 VANGUARD BLVD MALVERN, PA 19355

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation	
NEUBERGER BERMAN MANAGEMENT LLC	605 THIRD AVENUE 2ND FLOOR NEW YORK, NY 10158-0180

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation	
METROPOLITAN WEST ASSET MANAGEMENT	11766 WILSHIRE BLVD SUITE 1580 LOS ANGELES, CA 90025

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation	
ABERDEEN ASSET MANAGEMENT	1735 MARKET STREET 37TH FLOOR PHILADELPHIA, PA 19103

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

BLACKROCK INC.

345 PARK AVE
29TH FLOOR
NEW YORK, NY 10154

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

LOOMIS SAYLES & COMPANY LP

ONE FINANCIAL CENTER
BOSTON, MA 02111

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

HARBOR CAPITAL ADVISORS

111 SOUTH WACKER DRIVE
34TH FLOOR
CHICAGO, IL 60606

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

LEGG MASSON/WESTERN ASSET MGT

100 LIGHT STREET
BALTIMORE, MD 21202

(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)

FIDUCIARY INVESTMENT ADVISORS

20-4751585

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27	NONE	24057	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

THE ANGELL PENSION GROUP, INC.

04-2530412

(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	NONE	17839	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	PROVANZANO & MARCHESIANI, P.C.	b EIN:	04-2930395
c Position:	AUDITOR		
d Address:	607 NORTH AVE SUITE F WAKEFIELD, MA 01880	e Telephone:	781-245-1100

Explanation: THE TRANSFER OF AUDITING RESPONSIBILITIES FROM PROVANZANO & MARCHESIANI, P.C. TO WHITLEY PENN. LLP.

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500) Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2016
		This Form is Open to Public Inspection

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016		
A Name of plan KOLLSMAN, INC. DEFINED BENEFIT RETIREMENT PLAN	B Three-digit plan number (PN) ►	002
C Plan sponsor's name as shown on line 2a of Form 5500 KOLLSMAN, INC.	D Employer Identification Number (EIN) 02-0485231	

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	864591	1384271
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)	14604	168969
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	179248	153801
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	36020860	39931832
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	37079303	41638873

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	37079303	41638873
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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)	3299648	
(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)		3299648
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	747	
(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)		747
(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)	913864	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		913864
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	6637485	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	6637485	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		2301436
c Other income.....	2c		140
d Total income. Add all income amounts in column (b) and enter total.....	2d		6515835

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1478015	
(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)		1478015
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)	17839	
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)	24057	
(4) Other	2i(4)	436354	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		478250
j Total expenses. Add all expense amounts in column (b) and enter total	2j		1956265

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		4559570
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		

Part III Accountant's Opinion

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

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

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

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

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

(1) Name: WHITLEY PENN, LLP

(2) EIN: 75-2393478

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

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

Part IV Compliance Questions

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

During the plan year:

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

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

	Yes	No	Amount
4a		X	
4b		X	

		Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e Was this plan covered by a fidelity bond?	4e	X		1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l Has the plan failed to provide any benefit when due under the plan?	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m			
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 4010255. (See instructions.)

Part V Trust Information

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

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

A Name of plan <u>KOLLSMAN, INC. DEFINED BENEFIT RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>KOLLSMAN, INC.</u>	D Employer Identification Number (EIN) <u>02-0485231</u>

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>94-1687665</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	<u>0</u>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☒ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes	☐ No	☒ N/A

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

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

Schedule R (Form 5500) 2016
v. 160205

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

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

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

Part VII	IRS Compliance Questions
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20a Is the plan a 401(k) plan? If "No," skip b	☐ Yes ☐ No
20b How did the plan satisfy the nondiscrimination requirements for employee deferrals under section 401(k)(3) for the plan year? Check all that apply:	☐ Design-based safe harbor ☐ "Prior year" ADP test ☐ "Current year" ADP test ☐ N/A
21a What testing method was used to satisfy the coverage requirements under section 410(b) for the plan year? Check all that apply:	☐ Ratio percentage test ☐ Average benefit test ☐ N/A
21b Did the plan satisfy the coverage and nondiscrimination requirements of sections 410(b) and 401(a)(4) for the plan year by combining this plan with any other plan under the permissive aggregation rules?	☐ Yes ☐ No
22a If the plan is a master and prototype plan (M&P) or volume submitter plan that received a favorable IRS opinion letter or advisory letter, enter the date of the letter / / and the serial number .	
22b If the plan is an individually-designed plan that received a favorable determination letter from the IRS, enter the date of the most recent determination letter / / .	

To the Plan Administrator and Participants of the
EFW Inc. Consolidated Retirement Plan

We have conducted a Department of Labor (“DOL”) limited-scope audit of the financial statements of EFW Inc. Consolidated Retirement Plan (the “Plan”) as of and for the year ended December 31, 2016, and have issued our report thereon dated October 3, 2017. Professional standards require that we advise you of the following information related to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated August 9, 2017, our responsibility, as described by professional standards, is to conduct our audit in accordance with auditing standards generally accepted in the United States of America (“U.S. GAAS”) except that, as permitted by 29 CFR 2520.103-8 of the DOL’s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (“ERISA”) and as instructed by the Plan administrator, we did not perform any auditing procedures with respect to information prepared and certified to by Bank of America, N.A, the trustee, in accordance with DOL Regulation 2520.103-5, other than comparing the information with the related information included in the financial statements and supplemental schedules. Because of the significance of the information that we did not audit, we did not express an opinion on the financial statements and supplemental schedules taken as a whole. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified to by the trustee, were audited by us in accordance with U.S. GAAS, and were subjected to tests of the Plan’s accounting records and other procedures we considered necessary to enable us to express an opinion that they are presented in compliance with the DOL’s Rules and Regulations for Reporting and Disclosure under ERISA. Our audit of the financial statements does not relieve you or management of its respective responsibilities.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team and our firm, including its employees, have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Plan's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Plan is included in Note B to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2016. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are the actuarial assumptions used to calculate the present value of accumulated plan benefits.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures in the Plan's financial statements are included in Note C – *Actuarial Present Value of Accumulated Plan Benefits*. The actuarial present value of accumulated plan benefits is determined by the Plan's independent actuary and is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits earned by participants to reflect the time value of money and the probability of payment between the valuation date and the expected payment date.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. There were no uncorrected financial statement misstatements recorded during the audit.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. There were two adjusting journal entries that we identified and proposed that were agreed to and recorded by management in the accounting records of the Plan that had a net effect of increasing net assets available for benefits by approximately \$507,000. These two entries related to (1) the reversal of the prior year employer contribution receivable, which decreased the increase in net assets available for benefits by approximately \$1,871,000 and (2) the recording of the current year employer contribution receivable of approximately \$2,378,000, which increased the increase in net assets available for benefits for that amount.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Plan's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the management representation letter dated October 3, 2017.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the Plan, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, business conditions affecting the Plan, and business plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Plan's auditors.

Other Matters

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

* * * * *

This report is intended solely for the information and use of the Plan administrator, Plan Sponsor, participants, and management of the Plan and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in black ink that reads "Whitley Penn LLP". The signature is written in a cursive, flowing style.

Fort Worth, Texas
October 3, 2017



October 3, 2017

Whitley Penn LLP
1400 West 7th, Suite 400
Fort Worth, Texas 76102

This representation letter is provided in connection with your audits of the financial statements of EFW Inc. Consolidated Retirement Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2016 and 2015, 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, for the purpose of expressing an opinion on whether the financial statements present fairly, in all material respects, the net assets available for benefits and changes in net assets available for benefits of the Plan in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

We understand that, at our instruction, you did not perform any audit procedures with respect to information prepared and certified to by Bank of America, N.A., the trustee, in accordance with the Department of Labor ("DOL") Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA"), other than comparing such information with the financial statements and supplemental schedules. Because of the significance of the information which you did not audit, we understand that you will not express an opinion on the financial statements and supplemental schedules taken as a whole. We understand the form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified or provided by the trustee, was audited by you in accordance with auditing standards generally accepted in the United States of America ("U.S. GAAS"), and was subjected to tests of our accounting records and other procedures as you considered necessary to enable you to express an opinion as to whether they are presented in compliance with the DOL's Rules and Regulations for Reporting under ERISA.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of the date of this letter, the following representations made to you during your audits:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated August 9, 2017, for the preparation and fair presentation of the financial statements (and disclosures) in accordance with U.S. GAAP, and the notes include all the disclosures required by laws and regulations in which the Plan is subject, including the DOL Rules and Regulations for Reporting and Disclosure under ERISA.
2. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements, notes, and supplemental schedules that are free from material misstatement, whether due to fraud or error.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
4. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. The methods and significant assumptions used result in a measure of fair value appropriate for financial measurement and disclosure purposes.
5. We are responsible for the estimation methods and assumptions used in measuring assets and liabilities reported or disclosed at fair value, including information obtained from brokers, pricing services, or other third parties. Our valuation methodologies have been consistently applied from period to period. The fair value measurements reported or disclosed represent our best estimate of fair value as of the measurement date in accordance with the requirements of Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 820, *Fair Value Measurement*. In addition, our disclosures related to fair value measurements are consistent with the objectives outlined in FASB ASC 820.
6. Transactions with parties in interest, as defined in Section 3(14) of ERISA and regulations thereunder, including sales, purchases, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from, or payable to, related parties have been appropriately disclosed.
7. No events have occurred subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure.
8. You have recommended two adjusting journal entries: (1) to record the reversal of the prior year Company contribution receivable of approximately \$1,871,000; and (2) to record the current year Company contribution receivable of approximately \$2,378,000. We are in agreement with these adjustments which have been recorded in the Plan's financial statements.

9. We are not aware of any pending or threatened litigation, claims, and assessments whose effects should be considered when preparing the financial statements and we have not consulted legal counsel concerning litigation, claims, or assessments.
10. We have no intentions to terminate the Plan.
11. Guarantees, whether written or oral, under which the Plan is contingently liable to a bank or an other lending institution have been properly recorded or disclosed in the financial statements.
12. We have properly reported and disclosed amendments to the plan instrument, if any.
13. We agree with the actuarial methods and assumptions used by the actuary for funding purposes and for determining accumulated plan benefits and has no knowledge or belief that such methods or assumptions are inappropriate in the circumstances. We did not give any nor cause any instructions to be given to the Plan's actuary with respect to values or amounts derived, and we are not aware of any matters that have affected the independence or objectivity of the Plan's actuary.
14. We acknowledge our responsibility for the presentation of the supplementary information in accordance with the applicable criteria and we believe the supplementary information, including its form and content, is fairly presented in accordance with the applicable criteria. The methods of measurement or presentation have not changed from those used in the prior period.
15. In regard to the financial statement preparation services performed by you, we have—
 - a. Assumed all management responsibilities.
 - b. Designated Teresa Williams, Director of Benefits and HR Systems, and Cletus Glasener, Vice President and CFO, who each has suitable skill, knowledge, or experience to oversee the services.
 - c. Evaluated the adequacy and results of the services performed.
 - d. Accepted responsibility for the results of the services.

Information Provided

16. We have provided you with:
 - a. Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements, such as financial records and related data, Plan instruments, trust agreements, insurance contracts, as applicable, or investments contracts, as applicable, and amendments to such documents entered into during the year;

- b. Additional information that you have requested from us for the purpose of the audits;
 - c. Unrestricted access to persons within the Plan from whom you determined it necessary to obtain audit evidence;
 - d. All minutes of the meetings of the Investment Committee or summaries of actions of recent meetings for which minutes have not yet been prepared; and
 - e. Actuarial valuation reports and other reports prepared by the actuary for the Plan and the Plan sponsor.
17. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
18. Financial instruments with off-balance-sheet risk and financial instruments with concentrations of credit risk have been properly recorded or disclosed in the financial statements.
19. The Plan or trust has satisfactory title to all owned assets that are recorded at fair value and all liens, encumbrances, or security interest requiring disclosure in the financial statements have been properly disclosed.
20. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
21. We have no knowledge of any fraud or suspected fraud that affects the Plan and involves:
- a. Management;
 - b. Employees who have significant roles in internal control; or
 - c. Others when the fraud could have a material effect on the financial statements.
22. We have no knowledge of any allegations of fraud, or suspected fraud, affecting the Plan's financial statements communicated by employees, former employees, participants, regulators, beneficiaries, service providers, third-party administrators, or others.
23. We are not aware of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
24. We are not aware of any pending or threatened litigation, claims, and assessments whose effects should be considered when preparing the financial statements and we have not consulted legal counsel concerning litigation, claims, or assessments.

25. There are no other matters (e.g., breach of fiduciary responsibilities, nonexempt transactions, loans or loans in default, events reportable to the Pension Benefit Guaranty Corporation, or events that may jeopardize the tax status) that legal counsel has advised us must be disclosed.
26. We have disclosed to you the identity of the Plan's related parties and parties in interest and all the related party and party in interest relationships and transactions of which we are aware.
27. There were no omissions from the participants' data provided to the Plan's actuary for the purpose of determining the actuarial present value of accumulated plan benefits and other actuarially determined amounts in the financial statements.
28. There have been no changes in:
 - a. The actuarial methods or assumptions used in calculating amounts recorded or disclosed in the financial statements.
 - b. Plan provisions between the actuarial valuation date and date of this letter.
29. We have apprised you of all communications, whether written or oral, with regulatory agencies concerning the operation of the Plan.
30. The Plan has complied with all aspects of debt and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
31. All required filings with the appropriate agencies have been made.
32. The Plan (and the trust established under the Plan) is qualified under the appropriate section of the Internal Revenue Code and intends to continue as a qualified Plan (and trust). The Plan sponsor has operated the Plan and trust or insurance contract in a manner that did not jeopardize this tax status.
33. The Plan has complied with the fidelity bonding requirements of ERISA.
34. The form and content of the supplemental schedules Form 5500, Schedule H; Line 4i – Schedule of Assets (Held at End of Year) and Form 5500, Schedule H; Line 4j – Schedule of Reportable Transactions are fairly presented in accordance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.
35. There are no:
 - a. Nonexempt party in interest transactions (as defined in ERISA Section 3[1] and regulations under that section) that were not disclosed in the supplemental schedules or financial statements.

- b. Investments in default or considered to be uncollectible that were not disclosed in the supplemental schedules.
 - c. Reportable transactions (as defined in ERISA Section 103[b][3][H] and regulations under that section) that were not disclosed in the supplemental schedules.
36. We have read the SSAE16 reports provided by (a) Ceridian Corporation, and (b) Bank of America, N.A. and believe that the user controls suggested in these reports are properly implemented within our internal control procedures. We are aware of the exceptions noted in the SOC 1 reports and have considered the need for additional controls within our internal control procedures. No change within our internal control procedures deemed necessary.
37. We represent that there were no complaints filed under our Whistle Blower/ Code of Conduct Policy which related to the Plan for 2016 or subsequent thereto which would require communication to you and/or would require adjustment or disclosure to the financial statements.
38. We will notify you in advance of our intent to include your report, in whole or in part, in any document other than Form 5500 filed with a regulatory agency or printed, in whole or part, for any reason, and you will have the opportunity to review such matter before its filing or issuance.
39. We have read, reviewed and agree with the financial statements to which this letter refers and approve of their issuance.



Teresa Williams, Director of Benefits and HR Systems



Cletus Glasener, Vice President and CFO

Plan Name: EFW Inc. Consolidated Retirement Plan
 EIN: 51-0345236
 Plan Number: 001

Schedule SB, Line 26--Schedule of Active Participant Data																				
YEARS OF CREDITED SERVICE																				
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & up	
Attained Age	No.	Average Comp.	No.	Average Comp.	No.	Average Comp.	No.	Average Comp.	No.	Average Comp.	No.	Average Comp.	No.	Average Comp.	No.	Average Comp.	No.	Average Comp.	No.	Average Comp.
Under 25	0		0		0		0		0		0		0		0		0		0	
25 to 29	0		0		1		0		0		0		0		0		0		0	
30 to 34	0		0		15		4		1		0		0		0		0		0	
35 to 39	0		0		10		7		1		0		0		0		0		0	
40 to 44	0		0		20		16		2		0		0		0		0		0	
45 to 49	0		0		26		17		6		1		0		0		0		0	
50 to 54	0		0		32		25		15		2		3		2		0		0	
55 to 59	0		0		40		29		14		2		3		1		8		0	
60 to 64	0		0		19		20		8		1		3		1		11		0	
65 to 69	0		0		4		12		3		1		0		0		5		0	
70 & up	0		0		1		3		1		0		0		0		0		0	

SECTION XII

ACTUARIAL COST METHODS

Traditional Unit Credit

The actuarial cost method used in the development of the minimum contribution was the unit credit cost method.

The normal cost is the sum of all the individual normal costs for each participant. For active participants, the individual normal cost is the present value of the benefit earned during the year being valued. For active participants whose credited service equals or exceeds the plan maximum, if any, and for non-active participants, the normal cost is zero.

The actuarial accrued liability is the sum of the individual accrued liabilities for all participants. The individual accrued liability for an active participant is the present value of the accrued benefit as of the valuation date. The unfunded liability is the actuarial accrued liability less the valuation assets.

The total annual cost of the plan is the normal cost plus an amount to amortize the shortfall amount.

Projected Unit Credit

The actuarial cost method used in the development of the maximum contribution was the projected unit credit cost method.

Under this method, the normal cost is the sum of the individual normal costs for all participants. For an active participant, the individual normal cost is the present value at the current age of the projected benefit at the assumed retirement age, based on the actuarial assumptions, divided by the participant's expected years of credited service at that age. For a non-active participant, the normal cost is zero.

The actuarial accrued liability is the sum of the individual accrued liabilities for all plan participants. For an active participant, the individual accrued liability is the product of the normal cost and the total years of credited service at the current age. For non-active participants, the individual accrued liability is the present value at the current age of future benefits. The unfunded actuarial accrued liability equals the actuarial accrued liability less the valuation assets.

SECTION XIII

ACTUARIAL METHODS AND ASSUMPTIONS

A summary of the actuarial assumptions used in the valuation is presented below:

Valuation Assets - Average of fair market value of plan assets as of the current valuation date and as of the valuation date for each of the prior two plan years adjusted for contributions and distributions from the prior period to the current valuation date. The resulting amount is restricted to fall within 90% to 110% of the fair market value of assets [IRC Sec. 430(g)(3)(B)]. This method is restricted such that the expected earnings are limited by Internal Revenue Code Regulations. Therefore, the resulting asset value may tend to be less than the fair market value of assets over a long period of time.

Mandated Discount Rates – September 2015 HATFA segment rates (4 month look back):

1. Minimum Contribution - segment 1	4.430%
2. Minimum Contribution - segment 2	5.910%
3. Minimum Contribution - segment 3	6.650%

Plan's Effective Interest Rate: 6.150%

Discount Rates for Maximum Deductible Contribution – September 2015 PPA segment rates (4 month look back):

1. Maximum Contribution - segment 1	1.340%
2. Maximum Contribution - segment 2	4.030%
3. Maximum Contribution - segment 3	5.060%

Maximum Deductible Effective Interest Rate: 4.410%

Financial Accounting Standards Board ASC 960 Rates:

1. FASB ASC 960 - Pre-retirement	7.250%
2. FASB ASC 960 - Post-retirement	7.250%

Salary Scale - A constant increase of 2.40% was assumed. Shown below are the salaries at age 65 expressed as a percent of the salary at sample ages:

<u>Age</u>	<u>Males</u>	<u>Females</u>
20	291%	291%
25	258%	258%
30	229%	229%
35	204%	204%
40	181%	181%
45	161%	161%
50	143%	143%
55	127%	127%
60	113%	113%

Taxable Wage Base Increase Assumption - Increases to the taxable wage base were assumed to be 3.00% per annum.

SECTION XIII (Cont.)

Retirement Rates - Employees were assumed to retire in accordance with the rates shown below:

<u>Age</u>	<u>Males</u>	<u>Females</u>
55	0.0600	0.0600
56	0.0300	0.0300
57	0.0300	0.0300
58	0.0300	0.0300
59	0.0300	0.0300
60	0.0900	0.0900
61	0.0300	0.0300
62	0.1500	0.1500
63	0.1500	0.1500
64	0.1500	0.1500
65	0.5000	0.5000
66	0.2000	0.2000
67	0.2000	0.2000
68	0.2000	0.2000
69	0.2000	0.2000
70	1.0000	1.0000

Termination - 2003 SOA Pension Plan Turnover - Basic Age Table - Termination rates were assumed in the valuation. Employees were assumed to terminate in accordance with the rates shown below:

<u>Age</u>	<u>Males</u>	<u>Females</u>
20	0.1746	0.1746
25	0.1851	0.1851
30	0.1219	0.1219
35	0.0878	0.0878
40	0.0700	0.0700
45	0.0621	0.0621
50	0.0563	0.0563
55	0.0292	0.0292
60	0.0220	0.0220

Pre-retirement Mortality - IRS 2016 P.V. M Non-Annuity (1.430(h)) and IRS 2016 P.V. F Non-Annuity (1.430(h)) - Pre-retirement mortality was assumed in the valuation. Sample rates are as follows:

<u>Age</u>	<u>Males</u>	<u>Females</u>
20	0.0002	0.0001
25	0.0003	0.0001
30	0.0004	0.0002
35	0.0007	0.0003
40	0.0008	0.0004
45	0.0010	0.0007
50	0.0012	0.0010
55	0.0017	0.0020
60	0.0030	0.0034

SECTION XIII (Cont.)

Post-retirement Mortality - IRS 2016 P.V. M Annuitants (1.430(h)(3)- and IRS 2016 P.V. F Annuitants (1.430(h)(3)- - Post-retirement mortality was assumed in the valuation. Sample rates are as follows:

<u>Age</u>	<u>Males</u>	<u>Females</u>
65	0.0097	0.0092
70	0.0157	0.0149
75	0.0274	0.0234
80	0.0511	0.0390
85	0.0942	0.0674
90	0.1673	0.1229
95	0.2555	0.1858
100	0.3367	0.2321
105	0.3979	0.2931

Pre-retirement Mortality for ASC 960 – RP-2014 Employee with MP-2015 Generational Projection from 2006 (M/F); base tables are blended 70% White Collar & 30% Blue Collar.

Post-retirement Mortality for ASC 960 – RP-2014 Healthy Annuitant with MP-2015 Generational from 2006 Projection (M/F); base tables are blended 70% White Collar & 30% Blue Collar.

Rates of Disablement - Rates of disablement were not assumed.

Post-Disablement Mortality - IRS 2016 P.V. M Annuitants (1.430(h)(3)- and IRS 2016 P.V. F Annuitants (1.430(h)(3)- - Post-disablement mortality was assumed in the valuation. Sample rates are as follows:

<u>Age</u>	<u>Males</u>	<u>Females</u>
65	0.0097	0.0092
70	0.0157	0.0149
75	0.0274	0.0234
80	0.0511	0.0390
85	0.0942	0.0674
90	0.1673	0.1229
95	0.2555	0.1858
100	0.3367	0.2321
105	0.3979	0.2931

Administrative Expenses - Expenses of \$ 529,766 per annum were assumed.

Percent Married - 90% of males and 65% of females were assumed to be married.

Age of Spouse - The female spouse is assumed to be 3 years younger than the male spouse.

SECTION XIII (Cont.)

SELECTION OF ACTUARIAL ASSUMPTIONS

Assumption	Entity Who Selects Assumption	Basis for Assumption Selection	Change in Assumption
Segment Interest Rates for Minimum Contribution	Prescribed by Internal Revenue Service (IRC Sec. 430(h)(2)(C))	"Chosen by 3rd party." The Funding Target Liability for Minimum Contribution is determined using three 24-month average interest rates ("segment rates"), each of which applies to cash flows during specified periods. The Plan Sponsor has elected a 4 month look back for determining these rates each Plan Year. These segment rates are adjusted by the applicable percentage of the 25-year average segment rates.	The segment 1, segment 2 and segment 3 interest rates changed from 4.72%, 6.11%, and 6.81%, respectively as of the prior measurement date, January 1, 2015, to reflect the current prescribed rates. This change increased the Funding Target Liability for Minimum Contribution as of the current measurement date, January 1, 2016, by 2.22%.
Segment Interest Rates for Maximum Contribution	Prescribed by Internal Revenue Service (IRC Sec. 404(o)(6))	"Chosen by 3rd party." The Funding Target Liability for Maximum Contribution is determined using three 24-month average interest rates ("segment rates"), each of which applies to cash flows during specified periods. The Plan Sponsor has elected a 4 month look back for determining these rates each Plan Year.	The segment 1, segment 2 and segment 3 interest rates changed from 1.15%, 4.06%, and 5.15%, respectively as of the prior measurement date, January 1, 2015, to reflect the current prescribed rates. This change decreased the Funding Target Liability for Maximum Contribution as of the current measurement date, January 1, 2016, by 0.61%.
ASC 960 Interest Rate	EFW Inc.	"Chosen by plan sponsor." The ASC 960 interest rate is developed based on the allocation of the Plan's assets by investment class and the capital market outlook for each investment class. This information is provided by the Plan's investment advisor.	None
Inflation Rate	The Angell Pension Group, Inc.	Long-term CPI-U experience.	None
Salary Scale	The Angell Pension Group, Inc.	This assumption was set based on a review of experience under the Plan and the Plan Sponsor's expectations of future salary increases.	None
Taxable Wage Base Increase	The Angell Pension Group, Inc.	Long-term CPI-U experience.	None
IRC 415 and 401(a)(17) Limit Projection	N/A	Projected increases to benefit and pay limits are not applicable under the Actuarial Funding Method used for the Funding Target Liability and the ASC 960 Actuarial Present Value of Accrued Benefits.	None
Pre-Retirement Mortality	Prescribed by Internal Revenue Service (IRC Sec. 430(h)(3))	"Chosen by 3rd party." The IRS prescribes by regulation mortality tables to be used in determining minimum and maximum contributions. Those tables are based on the actual experience of pension plans and projected trends in that experience. Current prescribed tables are based on the RP-2000 Mortality Tables Report, adjusted for mortality improvement using Projection Scale AA.	The mortality tables changed from the 2015 IRS Non-annuitant Mortality (M/F) tables as of the prior measurement date, January 1, 2015, to reflect the current prescribed tables. This change, together with the change in post-retirement mortality, increased the Funding Target Liability for Minimum Contribution as of the current measurement date, January 1, 2016, by 0.20%.

SECTION XIII (Cont.)

SELECTION OF ACTUARIAL ASSUMPTIONS

Assumption	Entity Who Selects Assumption Prescribed by Internal Revenue Service (IRC Sec. 430(h)(3))	Basis for Assumption Selection	Change in Assumption
Post-Retirement Mortality	2016 IRS Annuitant Mortality (M/F)	"Chosen by 3rd party." The IRS prescribes by regulation mortality tables to be used in determining minimum and maximum contributions. Those tables are based on the actual experience of pension plans and projected trends in that experience. Current prescribed tables are based on the RP-2000 Mortality Tables Report, adjusted for mortality improvement using Projection Scale AA.	The mortality tables changed from the 2015 IRS Annuitant Mortality (M/F) tables as of the prior measurement date, January 1, 2015, to reflect the current prescribed tables. This change, together with the change in pre-retirement mortality, increased the Funding Target Liability for Minimum Contribution as of the current measurement date, January 1, 2016, by 0.20%.
Pre-Retirement Mortality for ASC 960	RP-2014 Employee with MP-2015 Generational Projection from 2006 (M/F); base tables are blended 70% White Collar & 30% Blue Collar	"Chosen by plan sponsor." The Society of Actuaries published a study of retirement experience in October, 2014. The RP-2014 tables presented in the study represent the most current and complete benchmarks of U.S. private pension plan mortality experience. These tables include generational projections of mortality improvement.	The mortality tables changed from the RP-2014 Employee with MP-2014 Generation Projection (M/F) tables as of the prior measurement date, January 1, 2015. The change was made to reflect the best estimate of future experience under the plan. This change, together with the change in post-retirement mortality, decreased the Actuarial Present Value of Accrued Benefits as of the current measurement date, January 1, 2016, by 1.16%.
Post-Retirement Mortality for ASC 960	RP-2014 Healthy Annuitant with MP-2015 Generational Projection from 2006 (M/F); base tables are blended 70% White Collar & 30% Blue Collar	"Chosen by plan sponsor." The Society of Actuaries published a study of retirement experience in October, 2014. The RP-2014 tables presented in the study represent the most current and complete benchmarks of U.S. private pension plan mortality experience. These tables include generational projections of mortality improvement.	The mortality tables changed from the RP-2014 Healthy Annuitant with MP-2014 Generational Projection (M/F) tables as of the prior measurement date, January 1, 2015. The change was made to reflect the best estimate of future experience under the plan. This change, together with the change in pre-retirement mortality, decreased the Actuarial Present Value of Accrued Benefits as of the current measurement date, January 1, 2016, by 1.16%.
Disability Mortality	2016 IRS Annuitant Mortality (M/F)	The Disability Mortality table is the same as the Post-Retirement Mortality table.	The mortality tables changed from the 2015 IRS Annuitant Mortality (M/F) tables as of the prior measurement date, January 1, 2015, to reflect the current prescribed tables. This change had no impact on plan liabilities as of the current measurement date, January 1, 2016, because there are currently no disabled plan participants.
Disability Rates	None	The incidence of disability under the Plan is negligible.	None
Withdrawal Rates	2003 Society of Actuaries Pension Plan Turnover - Basic Age Table	Because of the relatively small number of Plan participants, the withdrawal experience under the Plan is not credible for establishing Plan-specific withdrawal rates. The Society of Actuaries table was developed for such plans, and a review of experience under the Plan indicated that this table is a good estimate of future experience under the Plan.	None

SELECTION OF ACTUARIAL ASSUMPTIONS

Assumption	Entity Who Selects Assumption	Basis for Assumption Selection	Change in Assumption
Retirement Rates	The Angell Pension Group, Inc.	This assumption was set based on a review of experience under the Plan.	None
Administrative Expenses	The Angell Pension Group, Inc.	Internal Revenue Service regulations require the Target Normal Cost to be increased by the amount of Plan-related expenses expected to be paid from Plan assets during the Plan year. Our best estimate of these expenses is the actual amount of Plan-related expenses paid from Plan assets in the prior Plan year.	None
Percent Married	The Angell Pension Group, Inc.	This assumption was set based on a review of experience under the Plan.	None
Age of Spouse	The Angell Pension Group, Inc.	This assumption was set based on a review of experience under the Plan and general experience from similarly situated plans.	None

Form 5500Department of the Treasury
Internal Revenue ServiceDepartment 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

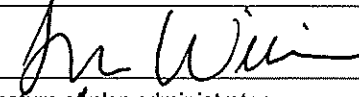
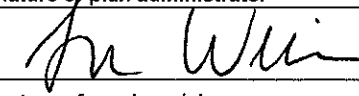
- A** This return/report is for: ☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
☒ a single-employer plan ☐ a DFE (specify) _____
- B** This return/report is: ☐ the first return/report ☐ the final return/report
☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
- C** If the plan is a collectively-bargained plan, check here. ☐
- D** Check box if filing under: ☒ Form 5558 ☐ automatic extension ☐ the DFVC program
☐ special extension (enter description) _____

Part II Basic Plan Information—enter all requested information

1a Name of plan KOLLSMAN, INC. DEFINED BENEFIT RETIREMENT PLAN	1b Three-digit plan number (PN) ▶ 002
	1c Effective date of plan 01/01/1996
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, and ZIP or foreign postal code (if foreign, see instructions) KOLLSMAN, INC. 220 DANIEL WEBSTER HIGHWAY MERRIMACK NH 03054-4844	2b Employer Identification Number (EIN) 02-0485231 2c Plan Sponsor's telephone number 603-889-2500 2d Business code (see instructions) 333310

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		<u>10/13/2017</u>	Teresa A. Williams
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE		<u>10/13/2017</u>	Teresa A. Williams
	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

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

Form 5500 (2016)

3a Plan administrator's name and address ☐ Same as Plan Sponsor KOLLSMAN, INC. 220 DANIEL WEBSTER HIGHWAY MERRIMACK NH 03054-4844	3b Administrator's EIN 02-0485231 <hr/> 3c Administrator's telephone number 603-889-2500
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 767
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) 281
a(2) Total number of active participants at the end of the plan year	6a(2) 263
b Retired or separated participants receiving benefits.....	6b 267
c Other retired or separated participants entitled to future benefits	6c 200
d Subtotal. Add lines 6a(2), 6b, and 6c.....	6d 730
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	6e 34
f Total. Add lines 6d and 6e.....	6f 764
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 0
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 3F 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) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
---	---

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

a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information - Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)
---	---

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

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

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

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

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

Receipt Confirmation Code _____

EFW INC. CONSOLIDATED RETIREMENT PLAN

FORM 5500, SCHEDULE H, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS

Year Ended December 31, 2016

EIN: 51-0345236
Plan: 001

(a) Identity of Party Involved	(b) Description of Asset (include interest rate and maturity in case of a loan)	(c)		(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain (Loss)
		Number of Purchase Transactions	Purchase Price				
Category (iii) - Series of securities transactions in excess of 5% of Plan assets							
Bank of America Cash Reserves	Money market fund	15	\$ 2,814,596	\$ -	\$ 2,814,596	\$ 2,814,596	\$ -
Bank of America Cash Reserves	Money market fund	-	-	2,972,423	2,972,423	2,972,423	-
Federated Government Obligations Fund Premier Class	Money market fund	25	3,937,026	-	3,937,026	3,937,026	-
Federated Government Obligations Fund Premier Class	Money market fund	-	-	3,755,709	3,755,709	3,755,709	-
Bank of America Temporary Overnight Deposit - Custody	Money market fund	30	2,593,717	-	2,593,717	2,593,717	-
Bank of America Temporary Overnight Deposit - Custody	Money market fund	-	-	2,593,717	2,593,717	2,593,717	-

Represents a transaction or a series of transactions in securities of the same issue in excess of 5% of the net assets available as of January 1, 2016.

There were no category (i), (ii) or (iv) reportable transactions during the year ended December 31, 2016.

Columns (e) and (f) are not applicable.

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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 <u>01/01/2016</u> and ending <u>12/31/2016</u>		

► **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 KOLLSMAN, INC. DEFINED BENEFIT RETIREMENT PLAN	B Three-digit plan number (PN) ►	002
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF KOLLSMAN, INC.	D Employer Identification Number (EIN) 02-0485231	
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B		
F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500		

Part I Basic Information				
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2016</u>				
2 Assets:				
a Market value.....	2a	37,079,303		
b Actuarial value.....	2b	39,367,694		
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.....	287	15,418,805	15,418,805	
b For terminated vested participants.....	199	7,868,216	7,868,216	
c For active participants.....	281	19,778,834	19,928,400	
d Total.....	767	43,065,855	43,215,421	
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 6.12%			
6 Target normal cost.....	6 1,852,869			

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	<div style="text-align: center;"> Signature of actuary JEFFREY C. LITER Type or print name of actuary THE ANGELL PENSION GROUP, INC. Firm name 88 BOYD AVENUE EAST PROVIDENCE RI 02914 Address of the firm </div>	<div style="text-align: center;"> <u>October 11, 2017</u> Date 1706544 Most recent enrollment number 401-438-9250 Telephone number (including area code) </div>
------------------	--	--

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 ☐

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

Schedule SB (Form 5500) 2016
v. 160205

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).....	0	542
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).....	0	542
10	Interest on line 9 using prior year's actual return of <u>-1.59%</u>	0	-9
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		93
	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 <u>6.32%</u>		5
	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		98
	d Portion of (c) to be added to prefunding balance.....		98
12	Other reductions in balances due to elections or deemed elections		
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	631

Part III		Funding Percentages	
14	Funding target attainment percentage	14	91.09%
15	Adjusted funding target attainment percentage.....	15	91.09%
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	94.49%
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
04/14/2016	633,732	0			
07/14/2016	633,732	0			
10/12/2016	633,732	0			
01/12/2017	633,732	0			
09/14/2017	750,539	0			
Totals ►			18(b)	3,285,467	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 3,116,793
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
0	0	0	0

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

21 Discount rate:				
a Segment rates:	1st segment: 4.43 %	2nd segment: 5.91 %	3rd segment: 6.65 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 63
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	1,852,869	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:			
a Net shortfall amortization installment	Outstanding Balance	Installment	
b Waiver amortization installment	3,848,358	1,263,814	
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	0	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)....	34	3,116,683	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	0	0
36 Additional cash requirement (line 34 minus line 35).....	36	3,116,683	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	3,116,793	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	110	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
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			

**EFW INC. CONSOLIDATED
RETIREMENT PLAN**

**FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULES**

**Years Ended December 31, 2016 and 2015
with Report of Independent Auditors**

**EFW INC. CONSOLIDATED
RETIREMENT PLAN**

**FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULES**

Years Ended December 31, 2016 and 2015

Table of Contents

Report of Independent Auditors	1
Financial Statements:	
Statements of Net Assets Available for Benefits	3
Statements of Changes in Net Assets Available for Benefits	4
Notes to Financial Statements	5
Supplemental Schedules:	
Form 5500, Schedule H, Line 4i - Schedule of Assets (Held at End of Year).....	12
Form 5500, Schedule H, Line 4j - Schedule of Reportable Transactions.....	13

REPORT OF INDEPENDENT AUDITORS

To the Plan Administrator and Participants of the
EFW Inc. Consolidated Retirement Plan

We were engaged to audit the financial statements of the EFW Inc. Consolidated Retirement Plan, which comprise the statements of net assets available for benefits as of December 31, 2016 and 2015, and the related statements of changes in net assets available for benefits the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

Basis for Disclaimer of Opinion

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

Disclaimer of Opinion

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

Other Matter

The supplemental schedules of Form 5500, Schedule H, Line 4i – Schedule of Assets (Held at End of Year) and Form 5500, Schedule H, Line 4j – Schedule of Reportable Transactions as of and for the year ended December 31, 2016 are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, it is inappropriate to and we do not express an opinion on the supplemental schedules referred to above.

Report on Form and Content in Compliance With Department of Labor Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

A handwritten signature in black ink that reads "Whitley Penn LLP". The signature is written in a cursive, flowing style.

Fort Worth, Texas
October 3, 2017

EFW INC. CONSOLIDATED RETIREMENT PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	December 31,	
	2016	2015
Assets		
Investments, at fair value:		
Mutual funds:		
Equity	\$ 60,799,386	\$ 53,815,498
Fixed-income	30,476,492	28,459,110
Common stock	3,953,332	3,427,204
Money market fund	181,317	157,827
Total investments at fair value	<u>95,410,527</u>	<u>85,859,639</u>
Receivables:		
Company contributions	2,378,303	1,871,224
Investment income	383,148	33,651
Total receivables	<u>2,761,451</u>	<u>1,904,875</u>
Net assets available for benefits	<u><u>\$ 98,171,978</u></u>	<u><u>\$ 87,764,514</u></u>

See accompanying notes to financial statements.

EFW INC. CONSOLIDATED RETIREMENT PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	Year Ended December 31,	
	2016	2015
Additions to Net Assets		
Investment income (loss):		
Net realized and unrealized gains (losses) on investments	\$ 5,024,646	\$ (3,242,623)
Interest and dividends	2,879,361	2,961,339
Total investment income (loss)	7,904,007	(281,284)
Company contributions	6,719,157	6,067,933
Total additions to net assets	14,623,164	5,786,649
Deductions from Net Assets		
Benefits paid to participants	3,603,915	3,111,168
Administrative expenses	611,785	529,766
Total deductions from net assets	4,215,700	3,640,934
Net increase in net assets available for benefits	10,407,464	2,145,715
Net assets available for benefits at beginning of year	87,764,514	85,618,799
Net assets available for benefits at end of year	<u>\$ 98,171,978</u>	<u>\$ 87,764,514</u>

See accompanying notes to financial statements.

EFW INC. CONSOLIDATED RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2016 and 2015

A. Description of the Plan

General

The following brief description of the EFW Inc. Consolidated Retirement Plan (the “Plan”) is provided for general information purposes only. The Plan is sponsored by EFW Inc. (the “Company”). Participants should refer to the Plan document for more complete information.

The Plan was effective February 15, 1993, restated January 1, 2012, and is a non-contributory defined benefit plan covering all employees of the Company who have completed one year of service and have attained age 21. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”).

In August 2009, the Compensation Committee of the Board of Directors of Elbit Systems US Corp. (“Elbit Systems US”), the parent company of the Company, approved a freeze of the Plan effective January 1, 2010. The “soft freeze” of the Plan prohibits non-represented employees that are hired on or after the freeze date from being added to the Plan. Existing participants will continue to accrue benefits as defined under the Plan’s provisions based on years of service and Plan provisions in effect.

Contributions

The Company contributes amounts as necessary to provide assets sufficient to meet the benefits expected to be paid to Plan participants, conditioned upon their deductibility under the Internal Revenue Code (the “Code”) Section 404. The Company will also make minimum funding contributions, as calculated by the Plan’s actuary.

Plan Expenses

Employees of the Company perform certain administrative functions of the Plan with no compensation from the Plan. In accordance with Plan provisions, the Company and the Plan both pay administrative expenses.

Plan Benefits

Participants accrue benefits as defined under the Plan’s provisions based on years of service and Plan provisions in effect as of the date of determination.

B. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Plan are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”).

EFW INC. CONSOLIDATED RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS (continued)

B. Summary of Significant Accounting Policies – continued

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates. Refer to Note C for significant assumptions used in determining the Plan's present value of accumulated plan benefits.

Investments

The investments of the Plan are stated at fair value as of the end of the year and are generally subject to market or credit risks customarily associated with equity and fixed income investments. Fair values are determined in accordance with U.S. GAAP, which defines fair value, establishes a framework for measuring fair value, and requires certain disclosures about assets and liabilities measured at fair value. See Note D for information related to the Plan's valuation methodologies.

Purchases and sales of securities are recorded on a trade-date basis. The net realized and unrealized gains (losses) on investments include realized gains and losses on sales of investments during the year and unrealized increases or decreases in the market value of investments held at year end. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Payment of Benefits

Benefits are recorded when paid.

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are estimated future periodic payments, including lump-sum distributions attributable under the Plan's provisions to services rendered by employees through the valuation date. Accumulated plan benefits include benefits expected to be paid to retired or terminated employees or their beneficiaries and present employees or their beneficiaries. Benefits payable under all circumstances (retirement, death, disability, and termination of employment) are included, to the extent they are deemed attributable to employee service rendered through the valuation date.

C. Actuarial Present Value of Accumulated Plan Benefits

The actuarial present value of accumulated plan benefits is determined by the Plan's independent actuary and is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits earned by Plan participants to reflect the time value of money and the probability of payment (such as for death, disability, or retirement) between the valuation date and the expected date of payment.

EFW INC. CONSOLIDATED RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS (continued)

C. Actuarial Present Value of Accumulated Plan Benefits – continued

The actuarial present value of the accumulated plan benefits information based on a beginning of the year valuation is as follows:

	January 1,	
	2016	2015
Vested benefits:		
Participants currently receiving payments	\$ 33,431,735	\$ 28,195,649
Other vested participants	56,055,241	55,514,376
Total vested benefits	89,486,976	83,710,025
Non-vested benefits	421,918	434,916
Total actuarial present value of accumulated plan benefits	<u>\$ 89,908,894</u>	<u>\$ 84,144,941</u>

The following is a summary of the changes in the actuarial present value of accumulated plan benefits between the applicable benefit information dates:

	Year Ended January 1,	
	2016	2015
Actuarial present value of accumulated plan benefits at beginning of the year	\$ 84,144,941	\$ 80,596,929
Changes during the year:		
Benefits accumulated and actuarial gains and losses	3,947,515	4,494,475
Changes in actuarial assumptions	(1,050,724)	(3,588,128)
Increase for interest due to decrease in the discount period	5,978,330	5,173,429
Benefits paid	(3,111,168)	(2,531,764)
Actuarial present value of accumulated plan benefits at end of the year	<u>\$ 89,908,894</u>	<u>\$ 84,144,941</u>

The actuarial cost method used was the traditional unit credit actuarial cost method. For 2016 and 2015, the compensation increase assumption was 2.4% and the social security taxable wages base annual increase assumption was 3.0% per annum. The more significant assumptions underlying the actuarial computations as of January 1, 2016 and 2015, for the respective actuarial valuations are as follows:

	2016	2015
Interest discount rate	4.410%	4.480%
Retirement age	From age 55 to 70	From age 55 to 70

The actuarial assumptions related to the mortality basis are based on RP-2000 Combined (Male/Female) Regulation Section 1.430(h)(3) for 2016 and 2015.

EFW INC. CONSOLIDATED RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS *(continued)*

C. Actuarial Present Value of Accumulated Plan Benefits – continued

The change in the actuarial assumptions was primarily due to the following: (1) a decrease in the Plan's effective interest rate from 4.480% in 2015 to 4.410% in 2016; and (2) changes in the mortality tables from the 2015 Internal Revenue Service ("IRS") prescribed tables to the 2016 IRS prescribed tables.

These actuarial assumptions are based on the presumption that the Plan will continue. If the Company terminates the Plan at some future date, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated Plan benefits.

The Plan is funded by annual contributions from the Company (based on actuarial computations described above) and is non-contributory for participants. The Plan's actuary has determined that the minimum required contribution was \$6,407,504 and \$5,798,332 for the years ended December 31, 2016 or 2015, respectively; however, the Company made contributions of \$6,719,157 and \$6,067,933 for 2016 and 2015, respectively.

D. Fair Value Measurements

U.S. GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and establishes a three-tier hierarchy that is used to identify assets and liabilities measured at fair value. The hierarchy focuses on the inputs used to measure fair value and requires that the lowest level input be used. The three levels defined are as follows:

Level 1 — Inputs are unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date. The fair values of the mutual funds, common stock, and money market fund are considered Level 1, as the investments have readily available quoted prices in active markets.

Level 2 — Inputs (other than quoted prices included in Level 1) are either directly or indirectly observable for assets or liabilities through correlation with market data at the measurement date and for the duration of the instruments' anticipated lives.

Level 3 — Inputs reflect the best estimate of what market participants would use in pricing assets or liabilities at the measurement date. Consideration is given to the risk inherent in the valuation technique and the risk inherent in the inputs to the model.

The Plan held no Level 2 or 3 investments as of December 31, 2016 or 2015.

E. Party-in-Interest Transactions

Party-in-interest transactions include those with fiduciaries or employees of the Plan, any person who provides services to the Plan, an employer whose employees are covered by the Plan, an employee organization whose members are covered by the Plan, a person who owns 50% or more of such an employer or employee organization, or relatives of such persons.

EFW INC. CONSOLIDATED RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS *(continued)*

E. Party-in-Interest Transactions – continued

The Plan had approximately 4% of Plan assets invested in the common stock of Elbit Systems, Ltd., the parent company of EFW Inc., as of December 31, 2016 and 2015. In addition, certain Plan investments were comprised of shares of investment funds managed by Bank of America, N.A. (the “Trustee”). Transactions in such investments qualify as party-in-interest transactions, which are exempt from the prohibited transaction rules.

F. Plan Termination

While the Company has not expressed any intent to permanently discontinue its contributions, it is free to do so under the provisions of the Plan at any time, subject to the provisions of ERISA. Should the Company terminate the Plan at some future time, its net assets will generally not be available on a pro-rata basis to provide participant benefits.

Whether a particular participant’s accumulated plan benefits will be paid depends on both the priority of those benefits and the level of benefits guaranteed by the Pension Benefit Guaranty Corporation (“PBGC”) at such time. Some benefits may be fully or partially provided for by the then-existing assets and the PBGC’s guarantee, while other benefits may not be provided for at all.

G. Information Certified by the Trustee

The Plan administrator elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor’s Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the Plan administrator limited auditing procedures with respect to the investment information certified by the Trustee, which included total investments as of December 31, 2016 and 2015, the total investment income (loss) for the years ended December 31, 2016 and 2015, and all information included in the supplemental schedules.

H. Income Tax Status

The Plan utilizes the Angell Pension Group Inc. Volume Submitter Defined Benefit Plan which has a favorable opinion letter from the IRS. This opinion letter states that the form of the prototype plan is acceptable under Section 401 of the Code. The Company may rely on this letter with respect to the qualification of the Plan under Code Section 401(a) with certain limitations. The Plan has been amended; however, the Company believes that the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan was qualified and the related trust was tax-exempt as of the financial statement date.

EFW INC. CONSOLIDATED RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS *(continued)*

H. Income Tax Status – continued

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

I. Subsequent Events

In preparing the accompanying financial statements, management has evaluated all subsequent events and transactions for potential recognition or disclosure through October 3, 2017, the date the financial statements were available for issuance.

SUPPLEMENTAL SCHEDULES

EFW INC. CONSOLIDATED RETIREMENT PLAN

**FORM 5500, SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS
(HELD AT END OF YEAR)**

December 31, 2016

EIN: 51-0345236

Plan #: 001

(a)	(b) Identity of issuer, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(d) Cost	(e) Current Value
	Vanguard Institutional Index Fund	Equity mutual fund	\$ 25,335,679	\$ 34,230,754
	Loomis Sayles Investment Grade Fixed Income	Fixed-income mutual fund	12,284,400	11,267,531
	Vanguard Total International Stock Index Fund	Equity mutual fund	9,498,932	9,064,468
	Neuberger Berman Genesis Institutional Fund	Equity mutual fund	8,795,324	9,041,529
	Metro West T/R BD CL I	Fixed-income mutual fund	8,547,135	8,321,098
	Aberdeen Emerging Markets Institutional Fund	Equity mutual fund	4,756,042	4,310,980
	Vanguard Bond Index Fund	Fixed-income mutual fund	4,360,933	4,177,229
	Harbor International Fund Institutional Class	Equity mutual fund	4,289,225	4,151,655
*	Elbit Systems, Ltd.	Common stock	1,658,312	3,953,332
	Blackrock Strategic Income Opp. Portfolio	Fixed-income mutual fund	3,670,082	3,540,080
	Legg Mason BW Global Opportunities Bond Fund	Fixed-income mutual fund	3,543,006	3,170,554
*	Bank of America Cash Reserves	Money market fund	181,318	181,318
	Total investments		<u>\$ 86,920,388</u>	<u>\$ 95,410,528</u>

* Represents a party-in-interest to the Plan as defined by ERISA.

EFW INC. CONSOLIDATED RETIREMENT PLAN
FORM 5500, SCHEDULE H, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS
Year Ended December 31, 2016

EIN: 51-0345236
Plan: 001

(a) Identity of Party Involved	(b) Description of Asset (include interest rate and maturity in case of a loan)	Number of Purchase Transactions	(c) Purchase Price	Number of Sell Transactions	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain (Loss)
<u>Category (iii) - Series of securities transactions in excess of 5% of Plan assets</u>								
Bank of America Cash Reserves	Money market fund	15	\$ 2,814,596	-	\$ -	\$ 2,814,596	\$ 2,814,596	\$ -
Bank of America Cash Reserves	Money market fund	-	-	20	2,972,423	2,972,423	2,972,423	-
Federated Government Obligations Fund Premier Class	Money market fund	25	3,937,026	-	-	3,937,026	3,937,026	-
Federated Government Obligations Fund Premier Class	Money market fund	-	-	24	3,755,709	3,755,709	3,755,709	-
Bank of America Temporary Overnight Deposit - Custody	Money market fund	30	2,593,717	-	-	2,593,717	2,593,717	-
Bank of America Temporary Overnight Deposit - Custody	Money market fund	-	-	30	2,593,717	2,593,717	2,593,717	-

Represents a transaction or a series of transactions in securities of the same issue in excess of 5% of the net assets available as of January 1, 2016.

There were no category (i), (ii) or (iv) reportable transactions during the year ended December 31, 2016.

Columns (e) and (f) are not applicable.

EFW Inc. Consolidated Retirement Plan

EIN: 51-0345236; Plan Number: 001

2016 Schedule SB, line 22 - Description of Weighted Average Retirement Age

(1)	(2)	(3)	(4)	(5)
Age	Absolute Retirement Rate	Cumulative Probability of Not Having Retired	Probability of Employee Age 55 Retiring at Age(x)	(1) x (4)
55	6.00%	94.00%	6.00%	3.30
56	3.00%	91.18%	2.82%	1.58
57	3.00%	88.44%	2.74%	1.56
58	3.00%	85.79%	2.65%	1.54
59	3.00%	83.22%	2.57%	1.52
60	9.00%	75.73%	7.49%	4.49
61	3.00%	73.46%	2.27%	1.39
62	15.00%	62.44%	11.02%	6.83
63	15.00%	53.07%	9.37%	5.90
64	15.00%	45.11%	7.96%	5.09
65	50.00%	22.56%	22.56%	14.66
66	20.00%	18.04%	4.51%	2.98
67	20.00%	14.44%	3.61%	2.42
68	20.00%	11.55%	2.89%	1.96
69	20.00%	9.24%	2.31%	1.59
70	100.00%	0.00%	9.24%	6.47
TOTALS:			100.00%	63.28

*

* Average Assumed Retirement Age

Notice to Terminated Accountant

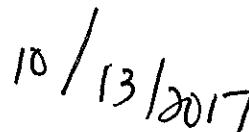
I, as plan administrator, verify that the explanation that is reproduced below or attached to this notice is the explanation concerning your termination reported on the Schedule C (Form 5500) attached to the 2016 Form 5500, Annual Return/Report of Employee Benefit Plan, for the Kollsman, Inc. Defined Benefit Retirement Plan. This Form 5500 is identified in line 2b by the nine-digit EIN 02-0485231, and in line 1b by the three-digit PN 002.

Explanation: The transfer of auditing responsibilities from Provanzano & Marchesiani, P.C. to Whitley Penn, LLP..

You have the opportunity to comment to the Department of Labor concerning any aspect of this explanation. Comments should include the name, EIN, and PN of the plan and be submitted to: Office of Enforcement, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.



Signed



Dated

Appendix A

Summary of Plan Provisions

<i>Plan Effective Date:</i>	February 15, 1993
<i>Eligibility Requirements:</i>	Age: 21 Service: 1 year
<i>Years of Eligibility Service:</i>	A 12-consecutive-month computation period in which an Employee is credited with 1,000 or more hours of service. The Computation period commences on the employee's date of hire.
<i>Year of Benefit Service:</i>	<p>A non-collectively bargained participant will be credited with a Year of Benefit Service for each year of employment. A collectively bargained participant will earn 1/12th of a Year of Benefit Service for each 150 hours of service during a calendar year.</p> <p>Years of Benefit Service are credited for all years of employment once an employee meets the plan's eligibility requirements and joins the plan.</p>
<i>Year of Vesting Service:</i>	A 12-consecutive-month computation period in which an Employee is credited with 1,000 or more hours of service. The Computation period commences on January 1.
<i>Plan Entry Date:</i>	An eligible employee will enter the plan immediately upon completion of the eligibility requirements. Effective January 1, 2010, non-collectively bargained Employees hired on or after January 1, 2010 are not permitted to enter the plan.
<i>Normal Retirement Date:</i>	The first day of the month following a participant's 65th birthday.
<i>Compensation:</i>	<p>The total compensation paid for the plan year, including deferrals under any 401(k) or Section 125 plans.</p> <p>For plan years beginning after 12/31/93, no more than \$150,000 Of compensation will be considered for plan purposes. This limit of \$150,000 is subject to adjustment by the Secretary of the Treasury or his delegate. The adjusted limit for 1997, 1998 and 1999 is \$160,000. The adjusted limit for 2000 is \$170,000. Effective in 2002, the limit is \$200,000. This limit of \$200,000 is subject to adjustment by the Secretary of the Treasury or his delegate. Effective January 1, 2016, the limit is \$265,000.</p>

*Normal Retirement
Benefit:*

The annual normal retirement benefit is equal to (1) plus (2) plus (3) plus (4):

(1) for years of service prior to 1994 - the annual accrued benefit under the Prior Plans as of December 31, 1993;

(2) for each year of service from 1994 to 1996 - 1.4% of compensation up to the Social Security taxable wage base plus 1.7% of compensation in excess of the Social Security taxable wage base;

(3) for each year of service subsequent to 1996 - 1.7% of compensation up to the Social Security taxable wage base plus 2.0% of compensation in excess of the Social Security taxable wage base;

(4) for collectively bargained participants, for each plan year after 2002, instead of (3) above, an annual accrual of \$720 for each full year of benefit service. This annual accrual is prorated for partial years of benefit service.

For collectively bargained participants employed on December 1, 2008, the annual accrual under item (4) above was increased to \$780 for each plan year after 2002.

Normal Form of Benefit: Life Annuity

Accrued Benefit: The amount to which a participant would be entitled under the benefit formula based upon the participant's Years of Benefit Service and the plan provisions in effect as of the date of determination.

*Top-Heavy Minimum
Accrued Benefit:*

All non-key employees will receive a minimum benefit equal to 2% of 5-year average compensation for each Year of Benefit Service in which the plan is top-heavy (up to a maximum of 10 years).

Early Retirement: A participant who has attained age 55 with 5 Years of Service may retire and receive an early retirement benefit. The amount of the early retirement benefit equals the Accrued Benefit, reduced 0.25% for each month that retirement precedes the Normal Retirement Date. Benefits accrued as of December 31, 1993 are reduced in accordance with the Prior Plans if this would result in a greater early retirement benefit.

A collectively bargained participant may retire early with an unreduced benefit if the participant retires after attaining age 62 and completing 10 Years of Service.

Late Retirement: Participants who continue employment after their Normal Retirement Date are eligible for a late retirement benefit upon termination of employment equal to the Accrued Benefit determined on the participant's actual retirement date.

Death Benefit: Minimum qualified pre-retirement survivor benefit.

Vesting: Based on Years of Service, subject to the following schedule:

<u>Years of Service</u>	<u>Vested Percentage</u>
Less than 5 years	0%
5 years or more	100%

Notwithstanding the above vesting schedule, a participant will become 100% vested upon reaching the Normal Retirement Date.

Participants who terminate with a vested benefit prior to becoming eligible for Early Retirement may commence payments as early as age 55. In this case, the benefit payable at the Normal Retirement Date is reduced actuarially to the actual benefit commencement date.

Optional Forms of Benefit: Life annuity, life annuity with 60 or 120 months guaranteed, joint and 50%, 66 2/3%, 75%, or 100% survivor annuity, joint and 50%, 66 2/3%, 75%, or 100% survivor annuity with pop-up feature, Social Security level income annuity.

EFW INC. CONSOLIDATED RETIREMENT PLAN

**FORM 5500, SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS
(HELD AT END OF YEAR)**

December 31, 2016

EIN: 51-0345236

Plan #: 001

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	Legg Mason BW Global Opportunities Bond Fund	Fixed-income mutual fund	3,543,006	3,170,554
*	Bank of America Cash Reserves	Money market fund	181,318	181,318
	Total investments		<u>\$ 86,920,388</u>	<u>\$ 95,410,528</u>

* Represents a party-in-interest to the Plan as defined by ERISA.

SECTION V

AMORTIZATION BASES UNDER SECTION 430 OF THE IRS CODE

<u>Type/ Date Established</u>	<u>Initial Period</u>	<u>Initial Amount</u>	<u>Remaining Period</u>	<u>Remaining Amount</u>	<u>Annual Payment</u>
Shortfall					
01/01/2016	7	\$ 3,874,831	7	\$ 3,874,831	\$ 640,213
01/01/2015	7	\$ -1,739,417	6	\$ -1,545,815	\$ -289,270
01/01/2014	7	\$ -2,503,239	5	\$ -1,924,363	\$ -418,940
01/01/2013	7	\$ 6,044,097	4	\$ 3,785,290	\$ 1,008,712
01/01/2012	7	\$ -6,163,415	3	\$ -3,007,005	\$ -1,046,083
01/01/2011	7	\$ 4,646,342	2	\$ 1,496,491	\$ 764,460
01/01/2010	7	\$ 8,200,766	1	\$ 1,380,124	\$ 1,380,124
				-----	-----
Totals				\$ 4,059,553	\$ 2,039,216