

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>ALEXANDER LUMBER CO. RETIREMENT PLAN</u>	1b	Three-digit plan number (PN) ► <u>001</u>
		1c	Effective date of plan <u>12/31/1963</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>ALEXANDER LUMBER CO.</u> <u>PO BOX 831</u> <u>AURORA, IL 60507</u> <u>515 REDWOOD DRIVE</u> <u>AURORA, IL 60507</u>	2b	Employer Identification Number (EIN) <u>36-0715495</u>
		2c	Plan Sponsor's telephone number <u>630-844-5123</u>
		2d	Business code (see instructions) <u>444190</u>

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2017	A1461726
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number)			Preparer's telephone number

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
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	5 629
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..... a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 123 6a(2) 112 6b 227 6c 62 6d 401 6e 40 6f 441 6g 6h
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 b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☐ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

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

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

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

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

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

Receipt Confirmation Code _____

SCHEDULE 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>ALEXANDER LUMBER CO. RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>ALEXANDER LUMBER CO.</u>	D Employer Identification Number (EIN) <u>36-0715495</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>31036670</u>
b Actuarial value	2b <u>32376600</u>
3 Funding target/participant count breakdown	
a For retired participants and beneficiaries receiving payment	(1) Number of participants <u>253</u> (2) Vested Funding Target <u>14684567</u> (3) Total Funding Target <u>14684567</u>
b For terminated vested participants	<u>253</u> <u>8985074</u> <u>8985074</u>
c For active participants	<u>123</u> <u>5474141</u> <u>5791107</u>
d Total	<u>629</u> <u>29143782</u> <u>29460748</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>6.15 %</u>
6 Target normal cost	6 <u>291296</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>10/15/2017</u>
	Signature of actuary	Date
<u>MATTHEW PLOTHOW</u>	Type or print name of actuary	<u>14-07302</u>
		Most recent enrollment number
<u>TOWERS WATSON DELAWARE, INC.</u>	Firm name	<u>312-288-7700</u>
<u>233 SOUTH WACKER DRIVE, SUITE 1800</u> <u>CHICAGO, IL 60606</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	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of <u>-0.51</u> %	0	0
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38a from prior year)		1656259
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>6.35</u> %		105172
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		1761431
d	Portion of (c) to be added to prefunding balance		
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	0

Part III Funding Percentages			
14	Funding target attainment percentage	14	109.89%
15	Adjusted funding target attainment percentage	15	109.89%
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	105.53%
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
02/02/2017	5000000	0			
09/01/2017	260000	0			
			Totals ►	18(b)	5260000
				18(c)	

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 4921552
20 Quarterly contributions and liquidity shortfalls:	
a Did the plan have a "funding shortfall" for the prior year?	☐ Yes ☒ No
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☐ Yes ☐ No
c If line 20a is "Yes," see instructions and complete the following table as applicable:	
Liquidity shortfall as of end of quarter of this plan year	
(1) 1st	(2) 2nd
(3) 3rd	(4) 4th

Part V	Assumptions Used to Determine Funding Target and Target Normal Cost		
21	Discount rate:		
a	Segment rates:	<div style="display: flex; justify-content: space-around;"> <div style="border: 1px solid black; padding: 2px; text-align: center;">1st segment: 4.43%</div> <div style="border: 1px solid black; padding: 2px; text-align: center;">2nd segment: 5.91%</div> <div style="border: 1px solid black; padding: 2px; text-align: center;">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	65
23	Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute		
Part VI	Miscellaneous Items		
24	Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No		
25	Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No		
26	Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No		
27	If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.	27	
Part VII	Reconciliation of Unpaid Minimum Required Contributions For Prior Years		
28	Unpaid minimum required contributions for all prior years	28	0
29	Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	0
30	Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0
Part VIII	Minimum Required Contribution For Current Year		
31	Target normal cost and excess assets (see instructions):		
a	Target normal cost (line 6)	31a	291296
b	Excess assets, if applicable, but not greater than line 31a	31b	291296
32	Amortization installments:	Outstanding Balance	Installment
a	Net shortfall amortization installment	0	0
b	Waiver amortization installment	0	0
33	If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount		33
34	Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)		34
			0
	Carryover balance	Prefunding balance	Total balance
35	Balances elected for use to offset funding requirement	0	0
36	Additional cash requirement (line 34 minus line 35)		36
37	Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)		37
			4921552
38	Present value of excess contributions for current year (see instructions)		
a	Total (excess, if any, of line 37 over line 36)	38a	4921552
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
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 H (Form 5500) <small>Internal Revenue Service</small> <small>Department of Labor</small> <small>Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2016 This Form is Open to Public Inspection
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For calendar plan year 2016 or fiscal plan year beginning <u>01/01/2016</u> and ending <u>12/31/2016</u>		
A Name of plan <u>ALEXANDER LUMBER CO. RETIREMENT PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ALEXANDER LUMBER CO.</u>	D Employer Identification Number (EIN) <u>36-0715495</u>	

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)	14440	11624
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	966751	727174
(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)	3728908	2198038
(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)	8267823	7321077
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)	16297316	13415103

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	29275238	23673016

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		

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	29275238	23673016
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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)	1800000	
(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)		1800000
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	3007	
(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)	145167	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		148174
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	106106	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	24038	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		130144
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	28873200	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	28787753	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		85447
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	1187681	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		1187681

		(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)		53555
c Other income.....	2c		333064
d Total income. Add all income amounts in column (b) and enter total.....	2d		3738065

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	9337397	
(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)		9337397
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)		
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)	2890	
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		2890
j Total expenses. Add all expense amounts in column (b) and enter total	2j		9340287

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-5602222
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: PASQUESI SHEPPARD LLC

(2) EIN: 36-4049282

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		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l Has the plan failed to provide any benefit when due under the plan?	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n		X	
o Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service?	4o			

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

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

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

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

Part V Trust Information

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

SCHEDULE R (Form 5500) 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>ALEXANDER LUMBER CO. RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ALEXANDER LUMBER CO.</u>	D Employer Identification Number (EIN) <u>36-0715495</u>

Part I	Distributions
---------------	----------------------

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions	1	
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s):		
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>181</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 / / .	

**ALEXANDER LUMBER CO.
RETIREMENT PLAN**

**FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015**

TOGETHER WITH INDEPENDENT AUDITOR'S REPORT

**Employer Identification Number
36-0715495**

Plan No. 001

ALEXANDER LUMBER CO.
RETIREMENT PLAN
FINANCIAL STATEMENTS AND NOTES
DECEMBER 31, 2016 AND 2015

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INDEPENDENT AUDITOR'S REPORT

**TO THE PLAN ADMINISTRATOR OF
ALEXANDER LUMBER CO. RETIREMENT PLAN**

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of ALEXANDER LUMBER CO. RETIREMENT PLAN, which comprise the Statements of Net Assets Available for Benefits and the Statements of Changes in Net Assets Available for Benefits as of December 31, 2016 and 2015, the related Statement of Accumulated Plan Benefits and the Statement of Changes in Accumulated Plan Benefits for the year ended December 31, 2015, 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 audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 5, which was certified by Bank of America, N.A., the Trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan Administrator that the Trustee holds the Plan's investment assets and executes investment transactions. The Plan Administrator has obtained 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 Schedule of Assets Held at End of Year as of December 31, 2016, is required by the DOL's Rules and Regulations for Reporting and Disclosure under the ERISA and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule referred to above.

Report on Form and Content in Compliance With DOL's Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the Trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under the ERISA.

Pasques Sheppard LLC

Pasques Sheppard LLC
Lake Forest, IL
June 26, 2017

ALEXANDER LUMBER CO.

RETIREMENT PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
ASSETS:		
Investments, at fair value —		
Money market funds	\$ 727,174	\$ 966,751
Corporate common stocks	2,198,038	3,728,908
Exchange traded funds	13,415,103	16,297,316
Mutual funds	<u>7,321,077</u>	<u>8,267,823</u>
Total Investments	23,661,392	29,260,798
Accrued interest receivable	<u>11,624</u>	<u>14,440</u>
Total net assets available for benefits	<u>\$ 23,673,016</u>	<u>\$ 29,275,238</u>

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

ALEXANDER LUMBER CO.

RETIREMENT PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
ADDITIONS TO NET ASSETS ATTRIBUTED TO:		
Investment income --		
Net appreciation (depreciation) in fair value of investments	\$ 1,236,383	\$ (800,920)
Interest	148,174	126,489
Dividends	453,192	440,444
Capital gain distributions and other income	100,316	85,598
	<u>1,938,065</u>	<u>(148,409)</u>
Employer contributions	<u>1,800,000</u>	<u>1,647,456</u>
Total additions to net assets	<u>3,738,065</u>	<u>1,499,047</u>
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Benefits paid to participants	1,554,362	1,472,173
Benefits paid under one-time lump-sum payment option	7,783,035	-
Administrative fees	2,890	2,918
	<u>9,340,287</u>	<u>1,475,091</u>
NET (DECREASE) INCREASE	(5,602,222)	23,956
NET ASSETS AVAILABLE FOR BENEFITS:		
Beginning of year	<u>29,275,238</u>	<u>29,251,282</u>
End of year	<u>\$ 23,673,016</u>	<u>\$ 29,275,238</u>

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

ALEXANDER LUMBER CO.

RETIREMENT PLAN

STATEMENT OF ACCUMULATED PLAN BENEFITS

DECEMBER 31, 2015

ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS:

Vested accumulated benefits --	
Active employees	\$ 7,489,956
Participants with deferred benefits	13,067,863
Participants receiving benefits	<u>17,103,285</u>
 Total vested accumulated benefits	 37,661,104
 Nonvested accumulated benefits	 <u>330,010</u>
 Total actuarial present value of accumulated plan benefits	 <u>\$ 37,991,114</u>

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

ALEXANDER LUMBER CO.

RETIREMENT PLAN

STATEMENT OF CHANGES IN ACCUMULATED PLAN BENEFITS

FOR THE YEAR ENDED DECEMBER 31, 2015

ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS ON JANUARY 1, 2015	\$ 37,697,578
Increase (decrease) during the year attributable to:	
Change in actuarial assumptions	(335,450)
Actuarial (gains)/losses	(56,418)
Benefits accumulated	476,259
Increase for interest due to the decrease in the discount period	1,681,318
Benefits paid	(1,472,173)
NET INCREASE	293,536
ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS ON DECEMBER 31, 2015 (SEE NOTE 1 - AMENDMENTS)	\$ 37,991,114

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

ALEXANDER LUMBER CO.
RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

(1) DESCRIPTION OF THE PLAN:

The following brief description of the Alexander Lumber Co. Retirement Plan (the Plan) is provided for general information purposes only. Participants should refer to the Plan Agreement for more complete information.

The Plan, as amended and restated, was originally established in 1963 and is a noncontributory, defined benefit retirement plan covering all eligible employees of Alexander Lumber Co. (the Company):

General -

The Plan is a defined benefit pension plan covering certain employees of the Company. Employees must be twenty-one years of age as of the enrollment date in order to be eligible to participate in the Plan. Union employees, who are covered by the terms of a collective bargaining agreement between the Company and the Union, are not eligible. Employees of the Company hired before January 1, 2011, become eligible to participate in the Plan at the first enrollment date (the first day of January or July) following the completion of one year of service, as defined in the Plan Agreement. Employees of the Company hired on or after January 1, 2011, are not, and will not become eligible to participate in the Plan as participation was closed to employees hired on or after this date. Plan earnings are limited to \$30,000 for purposes of determining individual benefits under the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Amendment -

Effective July 1, 2016, the Plan was amended to authorize lump sum distributions to certain qualifying participants with accrued vested retirement income benefits. The amendment provides for a lump sum payment option window during which a qualifying participant may elect to receive payment or commence to receive payment of his or her vested retirement income, even if such qualifying participant has not attained the age at which he or she would otherwise be permitted to commence payment of his or her vested retirement income. The lump sum payment option window began on September 1, 2016, and expired on October 14, 2016. If a qualifying participant timely made the special benefit election, benefits commenced on November 1, 2016. The lump sum payment to a qualifying participant is the actuarial equivalent present value of the qualifying participant's vested monthly normal retirement benefit. Any lump sum payment pursuant to this amendment fully settles the Plan's liability with respect to a qualifying participant and no benefit of any type will be payable to, or on behalf of, such qualifying participant. As a result, the above amendment reduced the Plan's benefit obligation. The actuarial present value of accumulated plan benefits does not reflect the above amendment as it was adopted between the latest benefit information date and the Plan's year end.

ALEXANDER LUMBER CO.

RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2016 AND 2015

Trustee -

Bank of America, N.A. serves as Trustee of the Plan and manages the Plan's investment assets.

Pension Benefits -

Participants generally become fully vested after five years of service, as defined by the Plan. There is no partial vesting of benefits. If employees terminate before completing five years of service, they forfeit the right to receive their accumulated benefits under the Plan. Benefits are determined according to formulas set forth in the Plan based upon earnings, subject to Internal Revenue Code limits and years of credited service. Included in the Plan are provisions for postponed retirement after age 65, early retirement at age 60, retirement in conjunction with disability, and pre-retirement surviving spouse death benefits. The normal form of retirement benefit is a monthly annuity; however, if the actuarial equivalent of the accrued benefit does not exceed \$1,000, such benefit will be paid in a lump sum. If the actuarial equivalent of the accrued benefit exceeds \$1,000, but does not exceed \$5,000 in total expected lifetime payments, the participant may elect to have it paid in a lump sum.

Funding Policy -

The Plan's funding policy is for the Company to contribute an amount which will meet or exceed the annual ERISA minimum funding requirement. The Company makes quarterly contributions to the Plan as determined in accordance with accepted actuarial principles, which are based upon actuarial cost studies performed by the Plan's actuaries. The Company made contributions to the Plan of \$1,800,000 and \$1,647,456 for the years ended December 31, 2016 and 2015, respectively, although it was not required to do so.

The Company's contributions and prior year credits applied for the Plan years ended December 31, 2016 and 2015, equaled or exceeded the minimum funding requirements of the ERISA and the Pension Protection Act of 2006.

Administration of the Plan -

The Trustee administers the Plan's assets, together with the income therefrom. Expenses incurred by the Trustee in the performance of its duties under this agreement, including fees for its services, are paid by the Company.

ALEXANDER LUMBER CO.
RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

(2) SIGNIFICANT ACCOUNTING POLICIES:

Basis of Accounting -

The accompanying financial statements of the Plan have been prepared using accrual basis of accounting in accordance with U.S. generally accepted accounting principles (GAAP).

Use of Estimates -

The preparation of financial statements, in conformity with U.S. GAAP, requires the Plan Administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Investment Valuation -

The Plan's investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Plan management determines the Plan's valuation policies utilizing information provided by its investment advisers, custodians, and Trustee. See Note 3 for a discussion of fair value measurements.

Income Recognition -

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

Actuarial Present Value of Accumulated Plan Benefits -

Accumulated Plan benefits are those future periodic payments, including lump sum distributions, that are attributable under the Plan's provisions to the service employees have rendered. Accumulated Plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) 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 to the valuation date.

ALEXANDER LUMBER CO.
RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

The actuarial present value of accumulated Plan benefits is determined by an independent actuary from Willis Towers Watson. The computed amount results from applying actuarial assumptions to adjust the accumulated Plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment. The significant actuarial assumptions used in the valuations as of January 1, 2016 and 2015, the dates of the latest actuarial valuations, were (a) new employees expectancy (it was assumed there will be no new or hired employees), (b) life expectancy of participants (separate rates for non-annuitants and annuitants were used based on RP 2000 "Employees" and "Healthy Annuitants" tables), (c) termination expectancy (the Actuary's Pension Handbook, table T-1 was used), (d) disability expectancy (the Railroad Retirement Board, 10th Valuation Table was used), (e) retirement age assumptions (normal retirement at age 65), (f) benefit commencement date assumptions (it was assumed that preretirement death benefits would commence on the later of the death of the active participant or the date the participant would have attained age 60, deferred vested benefits and retirement benefits would commence at age 65, and disability benefits would commence upon disability), (g) form of payment assumptions (it was assumed that 45% would elect single life annuity, 40% would elect 100% joint and survivor annuity, and 15% would elect 50% joint and survivor annuity), (h) spousal age assumptions (it was assumed that 80% of employees are married and the wife is three years younger than the husband), (i) expected increases in compensation (3.50% for 2016 and later), and (j) effective interest rate (6.15% per annum as of January 1, 2016). The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated Plan benefits. The computations of the actuarial present value of accumulated Plan benefits were made as of January 1, 2016 and 2015. Had the most recent valuation been performed as of December 31, 2016, the actuarial present value of accumulated Plan benefits at year end would be significantly reduced.

Certain changes were made in actuarial assumptions and methods from the January 1, 2015, measurement date to the January 1, 2016, measurement date. They were as follows:

- 1) The effective interest rate was changed from 6.35% to 6.15%.
- 2) The discount rate used to determine the present value of accumulated benefits was changed from 4.49% to 4.43%.
- 3) The segment interest rates used to calculate the funding target and target normal cost were updated from an applicable month of September 2014 to September 2015 with the interest rate corridors of HATFA applied.
- 4) The required mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality improvements.

ALEXANDER LUMBER CO.
RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

Payment of Benefits -

Benefit payments to participants are recorded upon distribution.

Administrative Expenses -

Substantially all administrative expenses of the Plan are paid by the Company. Expenses that are paid directly by the Company are excluded from these financial statements. Certain custody fees incurred by the Plan are paid by the Plan and are recorded as deductions in the accompanying Statements of Changes in Net Assets Available for Benefits. In addition, certain investment related expenses are included in net appreciation of fair value of investments presented in the accompanying Statements of Changes in Net Assets Available for Benefits.

New Accounting Pronouncements -

In July 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2015-12, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962) and Health and Welfare Benefit Plans (Topic 965): Part (I) Fully Benefit-Responsive Investment Contracts, Part (II) Plan Investment Disclosures, Part (III) Measurement Date Practical Expedient*. This three-part standard simplifies employee benefit plan reporting with respect to fully benefit-responsive investment contracts and plan investment disclosures, and provides for measurement date practical expedient. This standard is effective for fiscal years beginning after December 15, 2015, and should be applied retrospectively. Plan management has adopted Part II of the standard with these financial statements. Parts I and III are not applicable to the Plan. Accordingly, the amendments of Part II were retrospectively applied and resulted in the following changes:

- (a) Individual investments greater than five percent of net assets are no longer disclosed;
- (b) Net appreciation (depreciation) is disclosed only in the aggregate on the Statements of Changes in Net Assets Available for Benefits;
- (c) Plan investments are disaggregated only by general type.

ALEXANDER LUMBER CO.
RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

(3) FAIR VALUE MEASUREMENTS:

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of fair value hierarchy are described below:

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

Level 2 – Inputs to the valuation methodology include:

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

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

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

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

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

Money market funds are valued under the market approach through the use of quoted market prices in an active market.

Corporate common stocks are valued at the closing price reported on the active market on which the individual securities are traded.

Exchange traded funds are valued at the closing price reported on the active market on which the individual funds are traded.

Mutual funds held by the Plan trade actively on public market exchanges and are valued using the published market prices as of the last trading day of the year.

ALEXANDER LUMBER CO.

RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2016 AND 2015

While the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31:

2016				
Description of Investment	Fair Value	Level 1	Level 2	Level 3
Money market funds	\$ 727,174	\$ 727,174	\$ -	\$ -
Corporate common stocks	2,198,038	2,198,038	-	-
Exchange traded funds	13,415,103	13,415,103	-	-
Mutual funds	7,321,077	7,321,077	-	-
Total Investments	\$ 23,661,392	\$ 23,661,392	\$ -	\$ -

2015				
Description of Investment	Fair Value	Level 1	Level 2	Level 3
Money market funds	\$ 966,751	\$ 966,751	\$ -	\$ -
Corporate common stocks	3,728,908	3,728,908	-	-
Exchange traded funds	16,297,316	16,297,316	-	-
Mutual funds	8,267,823	8,267,823	-	-
Total Investments	\$ 29,260,798	\$ 29,260,798	\$ -	\$ -

(4) PARTY-IN-INTEREST TRANSACTIONS:

Certain portions of the Plan's investments are shares of funds managed by the Trustee. Therefore, these transactions qualify as party-in-interest transactions.

ALEXANDER LUMBER CO.
RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

(5) SUMMARY OF INFORMATION CERTIFIED BY THE TRUSTEE:

The December 31, 2016 and 2015, Statements of Net Assets Available for Benefits, the Investment activities included on the Statements of Changes in Net Assets Available for Benefits for the years ended December 31, 2016 and 2015, and the accompanying notes to the financial statements were prepared in part or entirely from information certified by the Trustee in accordance with 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under the ERISA. The table below summarizes the information that has been prepared and certified to as complete and accurate by the Trustee as of December 31:

	<u>2016</u>	<u>2015</u>
Investments, at fair value —		
Mutual funds	\$ 7,321,077	\$ 8,267,823
Money market fund	727,174	966,751
Corporate common stocks	2,198,038	3,728,908
Exchange traded funds	<u>13,415,103</u>	<u>16,297,316</u>
Total Investments	<u>23,661,392</u>	<u>29,260,798</u>
Accrued interest receivable	<u>11,624</u>	<u>14,440</u>
Total assets certified by the Trustee	<u>\$ 23,673,016</u>	<u>\$ 29,275,238</u>
Investment income —		
Net appreciation (depreciation) in value of investments	\$ 1,236,383	\$ (800,920)
Interest	148,174	126,469
Dividends	453,192	440,444
Capital gain distributions and other income	<u>100,316</u>	<u>85,598</u>
Total investment income (loss) certified by the Trustee	<u>\$ 1,938,065</u>	<u>\$ (148,409)</u>

ALEXANDER LUMBER CO.

RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2016 AND 2015

(6) PLAN TERMINATION:

In the event the Plan terminates, the net assets of the Plan will be allocated, as prescribed by the ERISA and its related regulations, generally to provide the following benefits in the order indicated:

- 1) Benefits attributable to employee contributions, if applicable, taking into account those paid out before termination;
- 2) Annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under Plan provisions in effect at any time during the five years preceding Plan termination;
- 3) Other vested benefits insured by the Pension Benefit Guaranty Corporation (PBGC) (a U.S. government agency) up to the applicable limitations (discussed below);
- 4) All other vested benefits (that is, vested benefits not insured by the PBGC);
- 5) All non-vested benefits.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. However, there is a statutory ceiling, which is adjusted periodically, on the amount of an individual's monthly benefit that the PBGC guarantees.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Plan Sponsor and the level of benefit guaranteed by the PBGC.

(7) TAX STATUS:

The Plan obtained its latest determination letter on January 14, 2003, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code (IRC). The Plan has been amended since receiving the determination letter. However, the Plan Administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC. Therefore, they believe that the Plan was qualified and the related trust was tax-exempt as of December 31, 2016 and 2015.

ALEXANDER LUMBER CO.
RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

U.S. GAAP require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that, more likely than not, would not be sustained upon examination by the Internal Revenue Service. The Plan Administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2016 and 2015, there are no uncertain positions taken or expected to be taken that would require recognition of a liability 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. The Plan Administrator believes it is no longer subject to Income tax examinations for years prior to 2013.

(8) RISKS AND UNCERTAINTIES:

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the Statements of Net Assets Available for Benefits.

Plan contributions are made and the actuarial present value of accumulated Plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

(9) SUBSEQUENT EVENTS:

The Plan has evaluated subsequent events through the report date, the date the financial statements were available to be issued.

ALEXANDER LUMBER CO.

RETIREMENT PLAN

SCHEDULE I -- SCHEDULE OF ASSETS HELD AT END OF YEAR

DECEMBER 31, 2016

FEIN 36-0715495 -- Plan Number 001

Schedule H, Line 41 (Form 5500)

(a)	(b) Identity of Issue, 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
	Fidelity Treasury Only Institutional Fund	Money market fund	\$ 727,109	\$ 727,109
*	Bank of America Temporary Overnight Deposit Fund	Money market fund	66	66
	ACS Activ De Construc	Corporate common stock	21,184	21,412
	Adecco Group	Corporate common stock	16,357	22,854
	Aercap Holdings NV	Corporate common stock	20,858	23,010
	Albus Group	Corporate common stock	32,905	37,713
	Ambav S A	Corporate common stock	21,688	17,681
	ASML Holdings NV	Corporate common stock	12,189	12,679
	Banco Bilbao Vizcaya Argentaria	Corporate common stock	50,465	42,292
	Bayerische Motoren Werke AG	Corporate common stock	29,307	25,615
	BHP Billiton LTD	Corporate common stock	24,094	18,105
	Brambles LTD	Corporate common stock	20,144	21,586
	Bridgestone Corp	Corporate common stock	23,100	23,232
	Canadian Pac Ry LTD	Corporate common stock	14,479	15,562
	CK Hutchison Holdings LTD	Corporate common stock	22,625	20,282
	Continental AG	Corporate common stock	16,890	14,610
	Fresenius Med Care	Corporate common stock	45,944	44,616
	Fuji Heavy Inds LTD	Corporate common stock	16,086	15,997
	GEA Group AG	Corporate common stock	19,667	17,258
	HDFC BK LTD	Corporate common stock	13,404	13,956
	Intesa Sanpaolo	Corporate common stock	57,068	52,200
	Jardine Strategic Holdings LTD	Corporate common stock	20,942	20,285
	Julius Baer Group LTD	Corporate common stock	25,839	25,003
	Kasikornbank Pub Co LTD	Corporate common stock	13,907	14,633
	KBC Group NV	Corporate common stock	15,494	14,613
	KDDI Corp	Corporate common stock	19,513	21,492
	Kerry Group PLC	Corporate common stock	15,939	15,684
	Komatsu LTD	Corporate common stock	22,855	22,586
	Koninklijke Philips NV	Corporate common stock	19,885	24,059
	Mazda Motors Corp	Corporate common stock	22,603	23,230
	Orix Corp	Corporate common stock	17,928	17,901
	Otsuka Holdings Co LTD	Corporate common stock	35,789	45,369
	Reckitt Benckiser PLC	Corporate common stock	20,645	20,216
	Royal DSM N V	Corporate common stock	17,424	20,472
	Royal KPN NV	Corporate common stock	28,635	23,260
	Samsonite Intl SA	Corporate common stock	11,193	10,014
	Schlumberger LTD	Corporate common stock	32,355	35,176
	Sekisui House LTD	Corporate common stock	16,437	19,416
	SMC Corp Japan	Corporate common stock	20,228	17,813
	Societe Generale France	Corporate common stock	22,321	25,530
	Statoil ASA	Corporate common stock	19,915	18,441
	Sumitomo Mitsui Financial Group Inc.	Corporate common stock	28,219	26,969
	Toronto Dominion Bk Ontario	Corporate common stock	20,788	23,979
	Total S A	Corporate common stock	33,547	35,730

The accompanying notes are an integral part of this schedule.

ALEXANDER LUMBER CO.

RETIREMENT PLAN

SCHEDULE I – SCHEDULE OF ASSETS HELD AT END OF YEAR

DECEMBER 31, 2016

FEIN 36-0715495 – Plan Number 001

Schedule H, Line 41 (Form 5500)

(a)	(b) Identity of Issue, 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
	Aegon N V	Corporate common stock	37,005	29,442
	AIA Group LTD	Corporate common stock	23,481	25,461
	Alibaba Group Holdings LTD	Corporate common stock	22,858	24,499
	Assa Abloy AB	Corporate common stock	20,182	19,014
	Astellas Pharma Inc.	Corporate common stock	26,674	23,024
	Aviva PLC	Corporate common stock	14,758	15,188
	AXA SA	Corporate common stock	34,403	37,947
	Barclays PLC	Corporate common stock	14,818	15,037
	Basf SE	Corporate common stock	19,031	23,938
	Bayer A G	Corporate common stock	16,725	17,775
	BHP Billiton PLC	Corporate common stock	19,133	22,588
	Boc Hong Kong Holdings LTD	Corporate common stock	15,866	18,182
	Brenntag AG	Corporate common stock	13,934	13,666
	Burberry Group PLC	Corporate common stock	23,873	20,903
	Carlsberg AS	Corporate common stock	20,519	21,010
	Carrefour SA	Corporate common stock	22,560	20,385
	Check Point Software Tech LTD	Corporate common stock	17,508	23,058
	China Mobile LTD	Corporate common stock	34,244	29,833
	Danone	Corporate common stock	20,176	18,960
	Deutsche Post AG	Corporate common stock	20,097	24,379
	Deutsche Telekom AG	Corporate common stock	19,101	19,545
	E on SE	Corporate common stock	28,255	21,293
	Geralto NV	Corporate common stock	23,698	21,491
	Goldcorp Inc	Corporate common stock	10,636	8,065
	Grupo Financiero Banorte	Corporate common stock	11,127	9,689
	Japan Tob Inc	Corporate common stock	18,312	15,062
	Kubota LTD	Corporate common stock	23,360	22,173
	Lloyds Banking Group PLC	Corporate common stock	22,353	14,706
	Mitsubishi Estate LTD	Corporate common stock	23,598	23,128
	Murata Mfg Co	Corporate common stock	21,697	21,670
	Nestle	Corporate common stock	32,870	33,063
	Norsk Hydro A S	Corporate common stock	11,661	13,909
	Orange SA	Corporate common stock	24,913	22,286
	Roche Holdings LTD	Corporate common stock	64,453	57,071
	Royal Dutch Shell PLC	Corporate common stock	60,619	60,471
	SAP	Corporate common stock	26,313	29,386
	Schnelder Eleo	Corporate common stock	16,153	18,883
	Secom LTD	Corporate common stock	19,382	22,719
	Selko Epson Corp	Corporate common stock	16,930	23,671
	Smith & Nephew PLC	Corporate common stock	25,443	22,199
	Suntory Beverage & Food LTD	Corporate common stock	36,933	37,692
	Taiwan Semiconductor Mfg LTD	Corporate common stock	15,454	21,994
	Telefonica Brasil SA	Corporate common stock	10,651	11,881
	UCB SA	Corporate common stock	17,035	13,395
	Vivendi SA	Corporate common stock	25,800	21,177

The accompanying notes are an integral part of this schedule.

ALEXANDER LUMBER CO.

RETIREMENT PLAN

SCHEDULE I — SCHEDULE OF ASSETS HELD AT END OF YEAR

DECEMBER 31, 2016

FEIN 98-0715495 — Plan Number 001

Schedule H, Line 41 (Form 5500)

(a)	(b) Identity of Issue, 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
	DBS Group Holdings LTD	Corporate common stock	23,503	25,109
	Diageo PLC	Corporate common stock	23,357	20,996
	DNB Nor ASA	Corporate common stock	33,208	35,204
	Engle	Corporate common stock	28,347	22,973
	Essilor International	Corporate common stock	10,374	10,813
	Heidelbergement AG	Corporate common stock	11,560	14,098
	HSBC Holdings PLC	Corporate common stock	37,391	34,354
	Panasonic Corp	Corporate common stock	22,143	21,153
	Ishares MSCI Emerging Markets Index Fund	Exchange traded fund	1,439,997	1,306,118
	Vanguard REIT	Exchange traded fund	519,779	642,166
	Vanguard Mid-Cap ETF	Exchange traded fund	1,063,523	1,359,080
	Vanguard Large Cap ETF	Exchange traded fund	6,938,647	9,087,794
	Vanguard Small Cap ETF	Exchange traded fund	811,552	1,019,945
	Metro West T/R Bond Class I	Mutual fund	5,846,757	5,768,023
	Prudential Global Real Estate Fund Class Z	Mutual fund	568,133	619,045
	Wells Fargo Advantage Ultra Short Term Income Fund	Mutual fund	939,140	934,008
			<u>\$ 21,069,991</u>	<u>\$ 23,661,392</u>

* Represents Party-In-Interest

The accompanying notes are an integral part of this schedule.

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Summary of Plan Provisions

Plan Provisions

Effective Date	Amended and restated January 1, 2011.
Covered employees	All eligible employees as defined in the plan document
Participation date	January 1 or July 1 coincident with or next following on the later of: <ul style="list-style-type: none">a. Attainment of age 21b. The completion of a year of service

Definitions

Year of Service	The completion of 1,000 hours of service during a twelve-consecutive month period following date of employment
Vesting service	One year for each 1,000-hour calendar year of employment by Alexander Lumber Company
Covered Earnings	All amounts earned by a Participant during a plan year, including elective deferrals under IRC 401(k) and Section 125, limited to IRC 401(a)(17)
Normal retirement date (NRD)	First of month coinciding with or next following the attainment of age 65
Disability Retirement Date	Date on which a participant elects to retire, or is retired by Alexander Lumber Company, in order to receive disability retirement benefits
Monthly pension benefit	One-twelfth of 1.5% of each plan year's covered earnings while a participant of the plan from January 1, 1989, plus the accrued benefits as of December 31, 1988. Beginning January 1, 2011, covered earnings are capped at \$30,000 for purposes of calculating annual accruals.

Plan Name:	Alexander Lumber Company Retirement Plan
EIN / PN:	36-0715495 / 001
Plan Sponsor:	Alexander Lumber Company
Valuation Date:	January 1, 2016

SCHEDULE SB ATTACHMENTS

Monthly preretirement death benefit	100% of the monthly pension benefit as of the date of death, reduced for the 100% joint and survivor election and reduced for payment as early as the employees Early Retirement Date
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Eligibility for Benefits

Normal retirement	Retirement on NRD
Early retirement	Retirement before NRD and on or after both attaining age 60 and completing five years of vesting service
Postponed retirement	Retirement after NRD
Vested termination	Termination for reasons other than death or retirement after completing five years of vesting service
Disability	Permanent and total disability prior to NRD after five years of vesting service, and participant is receiving a Social Security disability benefit
Preretirement death benefit	Death while eligible for normal, early, postponed, or deferred vested retirement benefits, with a surviving spouse

Benefits Paid Upon the Following Events

Normal retirement	Monthly pension benefit determined as of NRD
Early retirement	Monthly pension benefit determined as of the early retirement date, reduced 6.67% for each year of payment before NRD
Postponed retirement	Monthly pension benefit determined as of the actual retirement date
Vested termination	Monthly pension benefit determined as of the termination date
Disablement	Monthly pension benefit determined as of the date of the disablement, payable immediately without reduction for each year that commencement precedes NRD
Preretirement death	Monthly preretirement spouse benefit determined as of the participant's date of death.

Plan Name:	Alexander Lumber Company Retirement Plan
EIN / PN:	36-0715495 / 001
Plan Sponsor:	Alexander Lumber Company
Valuation Date:	January 1, 2016

SCHEDULE SB ATTACHMENTS

Other Plan Provisions

Forms of payment	<p>Preretirement death benefits are payable only as described above. Monthly pension benefits are paid as described above, if the participant has no spouse as of the date payments commence, or if the participant so elects. Otherwise, they will be paid in the form of a 100% joint and survivor annuity option or, if the participant elects and the spouse consents, another actuarially equivalent optional form offered by the plan. Optional forms are a 50% joint and survivor annuity, or (for married participants) a life annuity.</p> <p>Optional forms of payment are actuarially equivalent to a single life annuity. Actuarial equivalence, as defined by the plan, uses 7% interest, compounded annually, and uses the 1983 Group Annuity Mortality Table adjusted to a unisex basis by assuming a 75% male / 25% female gender mix.</p>
Pension Increases	None
Plan participants' contributions	None
Maximum on benefits and pay	All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective. Increases in the dollar limits are assumed for determining pension cost but not for determining contributions.

Future Plan Changes

No future plan changes were recognized in determining minimum and maximum contributions.

Changes in Benefits Valued Since Prior Year

Changes in current-year increases in the Internal Revenue Code for maximums on benefits and pay were updated, as necessary.

Plan Name:	Alexander Lumber Company Retirement Plan
EIN / PN:	36-0715495 / 001
Plan Sponsor:	Alexander Lumber Company
Valuation Date:	January 1, 2016

ALEXANDER LUMBER CO.

RETIREMENT PLAN

SCHEDULE I -- SCHEDULE OF ASSETS HELD AT END OF YEAR

DECEMBER 31, 2016

FEIN 38-0715486 -- Plan Number 001

Schedule H, Line 4f (Form 5500)

(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
	Fidelity Treasury Only Institutional Fund	Money market fund	\$ 727,109	\$ 727,109
	Bank of America Temporary Overnight Deposit Fund	Money market fund	88	88
	ACS Activ De Construc	Corporate common stock	21,184	21,412
	Adecco Group	Corporate common stock	18,357	22,854
	Aercoap Holdings NV	Corporate common stock	20,858	23,010
	Airbus Group	Corporate common stock	32,905	37,713
	Ambav S A	Corporate common stock	21,688	17,681
	ASML Holdings NV	Corporate common stock	12,189	12,679
	Banco Bilbao Vizcaya Argentaria	Corporate common stock	50,465	42,292
	Bayerische Motoren Werke AG	Corporate common stock	29,307	25,615
	BHP Billiton LTD	Corporate common stock	24,094	18,105
	Brambles LTD	Corporate common stock	20,144	21,588
	Bridgestone Corp	Corporate common stock	23,100	23,232
	Canadian Pac Ry LTD	Corporate common stock	14,479	15,582
	OK Hutchison Holdings LTD	Corporate common stock	22,625	20,282
	Continental AG	Corporate common stock	18,890	14,610
	Fresenius Med Care	Corporate common stock	45,944	44,616
	Fuji Heavy Inds LTD	Corporate common stock	16,086	15,997
	GEA Group AG	Corporate common stock	19,667	17,258
	HDFC BK LTD	Corporate common stock	13,404	13,956
	Intesa Sanpaolo	Corporate common stock	57,068	52,200
	Jardine Strategic Holdings LTD	Corporate common stock	20,942	20,285
	Juulius Baer Group LTD	Corporate common stock	25,839	25,003
	Kasikornbank Pub Co LTD	Corporate common stock	13,807	14,533
	KBO Group NV	Corporate common stock	15,494	14,613
	KDDI Corp	Corporate common stock	19,513	21,492
	Kerry Group PLC	Corporate common stock	15,839	15,684
	Komatsu LTD	Corporate common stock	22,855	22,586
	Koninklijke Philips NV	Corporate common stock	19,585	24,059
	Mazda Motors Corp	Corporate common stock	22,603	23,230
	Orlx Corp	Corporate common stock	17,928	17,901
	Otake Holdings Co LTD	Corporate common stock	35,789	45,389
	Reckitt Benckiser PLC	Corporate common stock	20,645	20,218
	Royal DSM N V	Corporate common stock	17,424	20,472
	Royal KPN NV	Corporate common stock	28,635	23,280
	Samsonite Intl SA	Corporate common stock	11,193	10,014
	Schlumberger LTD	Corporate common stock	32,355	35,176
	Sekisui House LTD	Corporate common stock	16,437	19,416
	SMC Corp Japan	Corporate common stock	20,228	17,813
	Societe Generale France	Corporate common stock	22,321	25,530
	Statoll ASA	Corporate common stock	19,915	18,441
	Sumitomo Mitsui Financial Group Inc.	Corporate common stock	28,219	26,869
	Toronto Dominion Bk Ontario	Corporate common stock	20,788	23,979
	Total S A	Corporate common stock	33,547	35,730

The accompanying notes are an integral part of this schedule.

ALEXANDER LUMBER CO.

RETIREMENT PLAN

SCHEDULE I -- SCHEDULE OF ASSETS HELD AT END OF YEAR

DECEMBER 31, 2016

FEIN 38-0715495 -- Plan Number 001

Schedule H, Line 4f (Form 5500)

(a)	(b) Identity of Issuer, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Per or Maturity Value	(d) Cost	(e) Current Value
	Aegion NV	Corporate common stock	37,005	29,442
	AIA Group LTD	Corporate common stock	23,461	25,461
	Alibaba Group Holdings LTD	Corporate common stock	22,858	24,499
	Asa Abloy AB	Corporate common stock	20,162	19,014
	Astellas Pharma Inc.	Corporate common stock	26,874	23,024
	Aviva PLC	Corporate common stock	14,758	15,188
	AXA SA	Corporate common stock	34,408	37,947
	Bardays PLC	Corporate common stock	14,818	15,037
	Basf SE	Corporate common stock	19,031	23,938
	Bayer AG	Corporate common stock	16,725	17,775
	BHP Billiton PLC	Corporate common stock	19,133	22,588
	Bee Hong Kong Holdings LTD	Corporate common stock	15,866	18,182
	Brenntag AG	Corporate common stock	13,934	13,666
	Burberry Group PLC	Corporate common stock	29,873	20,903
	Carlsberg AS	Corporate common stock	20,519	21,010
	Carrefour SA	Corporate common stock	22,560	20,385
	Check Point Software Tech LTD	Corporate common stock	17,508	23,058
	China Mobile LTD	Corporate common stock	34,244	29,833
	Danone	Corporate common stock	20,176	18,960
	Deutsche Post AG	Corporate common stock	20,097	24,379
	Deutsche Telekom AG	Corporate common stock	19,101	19,545
	E on SE	Corporate common stock	28,255	21,293
	Gemalto NV	Corporate common stock	23,696	21,491
	Goldcorp Inc	Corporate common stock	10,636	8,065
	Grupo Financiero Banorte	Corporate common stock	11,127	9,869
	Japan Tobacco Inc	Corporate common stock	18,312	15,062
	Kubota LTD	Corporate common stock	23,380	22,173
	Lloyds Banking Group PLC	Corporate common stock	22,353	14,706
	Mitsubishi Estate LTD	Corporate common stock	23,588	23,128
	Murata Mfg Co	Corporate common stock	21,697	21,870
	Nestle	Corporate common stock	32,870	33,063
	Norsk Hydro AS	Corporate common stock	11,661	13,909
	Orange SA	Corporate common stock	24,913	22,286
	Rosche Holdings LTD	Corporate common stock	64,453	57,071
	Royal Dutch Shell PLC	Corporate common stock	60,619	60,471
	SAP	Corporate common stock	28,313	29,386
	Schneider Elec	Corporate common stock	16,153	18,883
	Secom LTD	Corporate common stock	19,382	22,718
	Seiko Epson Corp	Corporate common stock	16,980	23,671
	Smith & Nephew PLC	Corporate common stock	25,443	22,199
	Suntory Beverage & Food LTD	Corporate common stock	36,933	37,692
	Taiwan Semiconductor Mfg LTD	Corporate common stock	15,454	21,994
	Telefonica Brasil SA	Corporate common stock	10,851	11,881
	UCB SA	Corporate common stock	17,038	13,395
	Vivendi SA	Corporate common stock	25,800	21,177

The accompanying notes are an integral part of this schedule.

ALEXANDER LUMBER CO.

RETIREMENT PLAN

SCHEDULE I — SCHEDULE OF ASSETS HELD AT END OF YEAR

DECEMBER 31, 2016

FEIN 36-0715495 — Plan Number 001

Schedule H, Line 41 (Form 5500)

(a)	(b) Identity of Issue, 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
	DBS Group Holdings LTD	Corporate common stock	23,503	25,109
	Diageo PLC	Corporate common stock	23,357	20,996
	DNB Nor ASA	Corporate common stock	33,208	35,204
	Engle	Corporate common stock	28,347	22,973
	Essilor International	Corporate common stock	10,374	10,813
	Heidelbergement AG	Corporate common stock	11,560	14,098
	HSBC Holdings PLC	Corporate common stock	37,391	34,354
	Panasonic Corp	Corporate common stock	22,143	21,153
	Ishares MSCI Emerging Markets Index Fund	Exchange traded fund	1,439,997	1,306,118
	Vanguard REIT	Exchange traded fund	519,779	642,186
	Vanguard Mid-Cap ETF	Exchange traded fund	1,063,523	1,359,080
	Vanguard Large Cap ETF	Exchange traded fund	9,938,647	9,087,794
	Vanguard Small Cap ETF	Exchange traded fund	811,552	1,019,945
	Metro West T/R Bond Class I	Mutual fund	5,846,757	5,788,023
	Prudential Global Real Estate Fund Class Z	Mutual fund	568,133	618,045
	Wells Fargo Advantage Ultra Short Term Income Fund	Mutual fund	939,140	934,008
			<u>\$ 21,069,991</u>	<u>\$ 23,661,392</u>

* Represents Party-in-Interest

The accompanying notes are an integral part of this schedule.

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26 Schedule of Active Participant Data as of January 1, 2016

Attained Age	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 & Over	
	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.
Under 25	0		0		0		0		0		0		0		0		0		0	
25 - 29	0		0		1		0		0		0		0		0		0		0	
30 - 34	0		3		4		1		0		0		0		0		0		0	
35 - 39	0		3		1		2		3		0		0		0		0		0	
40 - 44	0		0		5		2		1		2		0		0		0		0	
45 - 49	0		2		7		1		3		2		2		0		0		0	
50 - 54	1		1		7		1		1		1		2		1		0		0	
55 - 59	0		5		10		7		3		5		5		7		0		0	
60 - 64	0		0		5		2		1		2		0		1		3		2	
65 - 69	0		2		0		0		0		0		0		0		0		1	
70 & Over	0		0		1		0		0		0		0		0		0		1	

Plan Name: Alexander Lumber Company Retirement Plan
 EIN / PN: 36-0715495 / 001
 Plan Sponsor: Alexander Lumber Company
 Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Statement of Actuarial Assumptions/Methods

Economic Assumptions

Interest rate basis:

Applicable month	September 2015
Interest rate basis	3-Segment Rates

Interest rates:

	Reflecting Corridors	Not Reflecting Corridors
First segment rate	4.43%	1.34%
Second segment rate	5.91%	4.03%
Third segment rate	6.65%	5.06%
Effective interest rate	6.15%	4.43%

Annual rates of increase:

Compensation:	3.50%
Future Social Security wage bases	3.00%
Statutory limits on compensation	N/A

Administrative expenses: None

Plan Name: Alexander Lumber Company Retirement Plan
EIN / PN: 36-0715495 / 001
Plan Sponsor: Alexander Lumber Company
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Demographic Assumptions

Inclusion date The valuation date coincident with or next following the date on which the employee begins to earn (credited/benefit/vesting) service.

New or rehired employees It was assumed there will be no new or rehired employees.

Mortality:

Healthy Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2031 using Scale AA) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2023 using Scale AA).

Disabled Alternative disabled life mortality tables as defined under Revenue Ruling 96-7.

Termination Actuary's Pension Handbook, Table T-1:

Rates varying by age and gender

Representative Termination Rates

Percentage leaving during the year		
Attained Age	Males	Females
20	0.055	0.055
25	0.050	0.050
30	0.038	0.038
35	0.025	0.025
40	0.013	0.013
45	0.006	0.006
50	0.006	0.006
55	0.010	0.010

Plan Name: Alexander Lumber Company Retirement Plan
EIN / PN: 36-0715495 / 001
Plan Sponsor: Alexander Lumber Company
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Disability

Railroad Retirement Board, 10th Valuation

The rates at which participants become disabled by age and gender are as follows:

Percentage becoming disabled during the year		
Age	Males	Females
40	0.001	0.001
45	0.002	0.002
50	0.005	0.005
55	0.011	0.011
60	0.029	0.029
65	0.000	0.000

Retirement

Age 65

Benefit commencement date:

- Preretirement death benefit The later of the death of the active participant or the date the participant would have attained age 60
- Deferred vested benefit Age 65
- Disability benefit Upon disablement
- Retirement benefit Age 65

Form of payment

45% elect Single Life annuity
40% elect 100% Joint and Survivor annuity
15% elect 50% Joint and Survivor annuity

Percent married

80%

Spouse age

Wife three years younger than husband

Plan Name: Alexander Lumber Company Retirement Plan
EIN / PN: 36-0715495 / 001
Plan Sponsor: Alexander Lumber Company
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Covered pay Assumed plan compensation for the year beginning on the valuation date was determined as reported 2015 covered pay increased by the salary scale.

Loads None.

At-risk assumptions For at-risk calculations, all participants eligible to elect benefits during the current and subsequent ten plan years are assumed to commence benefits at the earliest possible date under the plan, but not before the end of the current plan year, except in accordance with the regular valuation assumptions. In addition, all participants (not just those eligible to begin benefits within the next 11 years) are assumed to elect the most valuable form of benefit under the plan, which is usually the lump sum form of payment.

Timing of benefit payments Annuity payments are payable monthly at the beginning of the month.

Methods

Valuation date First day of plan year

Funding target and Target normal cost Unit Credit

Actuarial value of assets Average of the fair market value of assets on the valuation date and the two immediately preceding valuation dates, adjusted for contributions, benefits, administrative expenses and expected earnings (with such expected earnings limited as described in IRS Notice 2009-22) . The average asset value must be within 10% of market value, including discounted contributions receivable (discounted using the effective interest rate for the 2015 plan year.)

The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. However, over the long term under PPA's smoothing rules, the method has a significant bias to produce an actuarial value of assets that is below the market value of assets.

Plan Name: Alexander Lumber Company Retirement Plan
EIN / PN: 36-0715495 / 001
Plan Sponsor: Alexander Lumber Company
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Benefits not valued All benefits described in the Plan Provisions section of this report were valued. Willis Towers Watson has reviewed the plan provisions with Alexander Lumber Company and, based on that review, is not aware of any significant benefits required to be valued that were not.

Assumptions Rationale - Significant Economic Assumptions

Discount rate for funding purposes The basis chosen was selected by the plan sponsor from among choices prescribed by law, all of which are based on observed market data over certain periods of time.

Expected return on plan assets We understand the expected return on assets assumption is based on the plan sponsor's estimate of future experience for trust asset returns, reflecting the plan's current asset allocation, any expected changes during the current plan year, current market conditions, and the plan sponsor's expectations for future market conditions.

Assumptions Rationale - Significant Demographic Assumptions

Healthy and Disabled Mortality for funding purposes Assumptions used for funding purposes are as prescribed by IRC §430(h).

Termination Termination rates are based on plan design, expected participant behavior and published tables for pension participants believed to have reasonably similar characteristics to the plan population. The termination rates vary by age.

Disability Disability rates are based on plan design, expected participant experience and published tables for pension participants believed to have reasonably similar characteristics participating in pension plans with similar disability provisions. The disability rates vary by age.

Retirement Retirement rates are set based on plan design, expected participant behavior and plan sponsor expectations for the future.

Form of payment The assumed form of payments are based on plan design, expected participant behavior and plan sponsor expectations for the future.

Plan Name: Alexander Lumber Company Retirement Plan
EIN / PN: 36-0715495 / 001
Plan Sponsor: Alexander Lumber Company
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Source of Prescribed Methods

Funding Methods

The methods used for funding purposes as described in Appendix A, including the method of determining plan assets are “prescribed methods set by law”, as defined in the actuarial standards of practice (ASOPs). These methods are required by IRC §430, or were selected by the plan sponsor from a range of methods permitted by IRC §430.

Changes in Assumptions and Methods

Changes in assumptions since prior valuation for funding purposes

The segment interest rates used to calculate the funding target and target normal cost were updated from an applicable month of September 2014 to September 2015 with the interest rate corridors of HATFA applied.

The required mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality improvements.

Plan Name: Alexander Lumber Company Retirement Plan
EIN / PN: 36-0715495 / 001
Plan Sponsor: Alexander Lumber Company
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB – Statement by Enrolled Actuary

Plan Sponsor	Alexander Lumber Company
EIN/PN	36-0715495/001
Plan Name	Alexander Lumber Company Retirement Plan
Valuation Date	January 1, 2016
Enrolled Actuary	Matthew Plothow
Enrollment Number	17-07302

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 22
Description of Weighted Average Retirement Age
as of January 1, 2016

See Schedule SB, Part V – Statement of Actuarial Assumptions/Methods for retirement rates. The valuation assumption for the Alexander Lumber Co. Retirement Plan is that all active participants will retire upon reaching age 65. If a participant is currently older than age 65 as of the valuation date, he is assumed to retire immediately. Therefore, since the overwhelming majority of plan participants are currently under age 65, the average retirement age is assumed to be at age 65.

Plan Name: Alexander Lumber Company Retirement Plan
EIN / PN: 36-0715495 / 001
Plan Sponsor: Alexander Lumber Company
Valuation Date: January 1, 2016

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration 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 <div style="border: 1px solid black; padding: 5px; text-align: center; font-weight: bold; font-size: 1.2em;">2016</div> 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>ALEXANDER LUMBER CO. RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>ALEXANDER LUMBER CO.</u>	D Employer Identification Number (EIN) <u>36-0715495</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>31,036,670</u>	
b Actuarial value	2b	<u>32,376,600</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>253</u>	<u>14,684,567</u>	<u>14,684,567</u>
b For terminated vested participants	<u>253</u>	<u>8,985,074</u>	<u>8,985,074</u>
c For active participants	<u>123</u>	<u>5,474,141</u>	<u>5,791,107</u>
d Total	<u>629</u>	<u>29,143,782</u>	<u>29,460,748</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>6.15 %</u>		
6 Target normal cost	6 <u>291,296</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.

<div style="border: 1px solid black; padding: 2px; display: inline-block;">SIGN HERE</div> <u>MATTHEW PLOTHOW MP</u> Signature of actuary <u>MATTHEW PLOTHOW</u> Type or print name of actuary <u>TOWERS WATSON DELAWARE, INC.</u> Firm name <u>233 SOUTH WACKER DRIVE, SUITE 1800</u> <u>CHICAGO IL 60606</u> Address of the firm	<u>10/12/2017</u> Date <u>17-07302</u> Most recent enrollment number <u>312-288-7700</u> Telephone number (including area code)
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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 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 65
23 Mortality table(s) (see instructions)	Prescribed -- combined	☒ Prescribed -- separate	Substitute

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)		31a	291,296
b Excess assets, if applicable, but not greater than line 31a		31b	291,296
32 Amortization installments:			
a Net shortfall amortization installment	Outstanding Balance	Installment	
	0	0	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month Day Year) and the waived amount		33	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)		34	0
		Carryover balance	Prefunding balance
35 Balances elected for use to offset funding requirement	0	0	0
36 Additional cash requirement (line 34 minus line 35)	36	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	4,921,552	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)		38a	4,921,552
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	