Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

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

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

OMB Nos. 1210-0110
1210-0089

2016

This Form is Open to Public Inspection

Part I Annual Report Identification Information

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

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

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

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

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

Part II Basic Plan Information—enter all requested information

1a Name of plan
PARAMOUNT BEAUTY 401(K) PROFIT SHARING PLAN & TRUST

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/1996

2a Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)
PARAMOUNT BEAUTY

41 MERCEDES WAY UNIT 34
BRENTWOOD, NY 11717

2b Employer Identification Number (EIN)
11-2204689

2c Plan Sponsor's telephone number
631-964-0867

2d Business code (see instructions)
812112

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.	10/16/2017	SUSAN NICOLETTI
	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 [X] Same as Plan Sponsor	**3b** Administrator's EIN	
	3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:	**4b** EIN	
a Sponsor's name	**4c** PN	
5 Total number of participants at the beginning of the plan year	**5**	178
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**).		
a(1) Total number of active participants at the beginning of the plan year	**6a(1)**	170
a(2) Total number of active participants at the end of the plan year	**6a(2)**	193
b Retired or separated participants receiving benefits	**6b**	9
c Other retired or separated participants entitled to future benefits	**6c**	9
d Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	211
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f Total. Add lines **6d** and **6e**.	**6f**	211
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	59
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

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

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

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

9a Plan funding arrangement (check all that apply)		**9b** Plan benefit arrangement (check all that apply)	
(1)	[ ] Insurance	**(1)**	[ ] Insurance
(2)	[ ] Code section 412(e)(3) insurance contracts	**(2)**	[ ] Code section 412(e)(3) insurance contracts
(3)	[X] Trust	**(3)**	[X] Trust
(4)	[ ] General assets of the sponsor	**(4)**	[ ] General assets of the sponsor

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

a Pension Schedules

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

b General Schedules

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

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

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

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

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

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

Receipt Confirmation Code_____

SCHEDULE H (Form 5500)

Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

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

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

OMB No. 1210-0110

2016

This Form is Open to Public Inspection

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

A Name of plan
PARAMOUNT BEAUTY 401(K) PROFIT SHARING PLAN & TRUST

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
PARAMOUNT BEAUTY

D Employer Identification Number (EIN)
11-2204689

Part I Asset and Liability Statement

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	
(2) Participant contributions	1b(2)	0	
(3) Other	1b(3)	0	
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	0	93778
(2) U.S. Government securities	1c(2)	0	
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	
(B) All other	1c(3)(B)	0	
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	
(B) Common	1c(4)(B)	0	
(5) Partnership/joint venture interests	1c(5)	0	
(6) Real estate (other than employer real property)	1c(6)	0	
(7) Loans (other than to participants)	1c(7)	0	
(8) Participant loans	1c(8)	0	17405
(9) Value of interest in common/collective trusts	1c(9)	0	
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	0	
(12) Value of interest in 103-12 investment entities	1c(12)	0	
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	2393201	2478727
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)	0	

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)	0	
	(2) Employer real property	1d(2)	0	
e	Buildings and other property used in plan operation	1e	0	
f	Total assets (add all amounts in lines 1a through 1e)	1f	2393201	2589910
	Liabilities			
g	Benefit claims payable	1g	0	
h	Operating payables	1h	0	
i	Acquisition indebtedness	1i	0	
j	Other liabilities	1j	0	
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	2393201	2589910

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)	0	
	(B) Participants	2a(1)(B)	192876	
	(C) Others (including rollovers)	2a(1)(C)	0	
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		192876
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	12	
	(B) U.S. Government securities	2b(1)(B)	0	
	(C) Corporate debt instruments	2b(1)(C)	0	
	(D) Loans (other than to participants)	2b(1)(D)	0	
	(E) Participant loans	2b(1)(E)	1762	
	(F) Other	2b(1)(F)	0	
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		1774
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)	0	
	(B) Common stock	2b(2)(B)	0	
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	4035	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		4035
	(3) Rents	2b(3)		0
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)	0	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)	0	
	(B) Other	2b(5)(B)	0	
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		74326
c Other income	2c		0
d Total income. Add all **income** amounts in column (b) and enter total	2d		273011
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	75187	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		75187
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions)	2g		0
h Interest expense	2h		0
i Administrative expenses: (1) Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	788	
(3) Investment advisory and management fees	2i(3)	0	
(4) Other	2i(4)	327	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		1115
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		76302
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		196709
l Transfers of assets:			
(1) To this plan	2l(1)		0
(2) From this plan	2l(2)		0

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: REITMAN & BELKIN LLP **(2)** EIN: 11-3460692

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

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

Part IV Compliance Questions

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

During the plan year:

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

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		250000
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.

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

A Name of plan
PARAMOUNT BEAUTY 401(K) PROFIT SHARING PLAN & TRUST

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
PARAMOUNT BEAUTY

D Employer Identification Number (EIN)
11-2204689

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** 0

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): 16-1470238

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** 0

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

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

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

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

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

6 **a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a** 0

b Enter the amount contributed by the employer to the plan for this plan year **6b** 0

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** 0

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

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

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

Part III Amendments

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

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

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

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

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Part VII IRS Compliance Questions

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

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

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

PARAMOUNT BEAUTY 401(K) PROFIT SHARING PLAN AND TRUST
PLAN # 001

FINANCIAL STATEMENTS
(TOGETHER WITH INDEPENDENT AUDITORS' REPORT)

DECEMBER 31, 2016

PARAMOUNT BEAUTY 401(K) PROFIT SHARING PLAN AND TRUST
PLAN # 001

FINANCIAL STATEMENTS
(Together with Independent Auditors' Report)

DECEMBER 31, 2016

TABLE OF CONTENTS

	Page
Independent Auditors' Report	1-2
Financial Statements	
Statements of Net Assets Available for Benefits December 31, 2016 and 2015	3
Statement of Changes in Net Assets Available for Benefits Year Ended December 31, 2016	4
Notes to Financial Statements	5-15
Supplemental Schedule	
Schedule H, line 4i - Schedule of Assets (Held at Year End)	16

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RICHARD A. REITMAN, CPA
DAVID M. BELKIN, CPA

INDEPENDENT AUDITORS' REPORT

To the Trustees and Plan Administrator of the
Paramount Beauty 401(k) Profit Sharing Plan and Trust

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Paramount Beauty 401(k) Profit Sharing Plan and Trust, which comprise the statements of net assets available for benefits as of December 31, 2016 and 2015, and the related statement of changes in net assets available for benefits for the year ended December 31, 2016 and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Mid Atlantic Trust Company and State Street Bank and Trust Company, the trustees 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 Mid Atlantic Trust Company held the Plan's investment assets and executed investment transactions from March 1, 2016, to December 31, 2016, and that State Street Bank and Trust Company held the Plan's investment assets and executed investment transactions as of December 31, 2015, and for the period January 1, 2016, to February 29, 2016. The plan administrator has obtained certifications from the trustees as of and for the years ended December 31, 2016 and 2015, that the information provided to the plan administrator by the trustees is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter describer 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 - Supplemental Schedule

The supplemental schedule - Schedule H, Line 4i - Schedule of Assets (Held At End of Year) as of December 31, 2016 is required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the 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 Rules and Regulations

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

Reitman & Belkin LLP

REITMAN & BELKIN LLP
New York, NY
October 13, 2017

PARAMOUNT BEAUTY 401(K) PROFIT SHARING PLAN AND TRUST
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31,

	2016	2015
Assets :		
Investments, at fair value	$ 2,572,505	$ 2,336,655
Receivables:		
Participant Contributions		565
Notes receivable from Participants	33,043	70,885
Total Receivables	33,043	71,450
Total assets	2,605,548	2,408,105
Liabilities :		
Excess Contributions Payable	21,863	3,698
Total Liabilities	21,863	3,698
Net Assets Available for Benefits	$ 2,583,685	$ 2,404,407

See Accompanying Notes to the Financial Statements

PARAMOUNT BEAUTY 401(K) PROFIT SHARING PLAN AND TRUST
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEAR ENDED DECEMBER 31, 2016

Additions:	
Additions to Net Assets Attributed to:	
Contributions :	
Participant Contributions	$ 192,310
Net investment income:	
Dividends and Interest	35,729
Net appreciation in fair value of investments	43,646
Net investment income	79,375
Interest income on notes receivable from participants	2,496
Total Additions	274,181
Deductions:	
Deductions from Net Assets Attributed to:	
Benefits paid to participants	93,679
Fees	1,224
Total Deductions	94,903
Net Increase	179,278
Net Assets Available for Benefits	
Beginning of Year	2,404,407
End of Year	$ 2,583,685

See Accompanying Notes to the Financial Statements

PARAMOUNT BEAUTY 401(K) PROFIT SHARING PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 1: PLAN DESCRIPTION

The following description of the Paramount Beauty 401(K) Profit Sharing Plan and Trust (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan "401(K)" covering all eligible employees of Paramount Beauty Distributing Associates Inc. (the Company) and was established January 1, 1996. Employees must be at least twenty-one years of age and completed three months of service to be eligible to participate. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Effective on March 1, 2016, the Plan was amended and restated to bring the Plan into compliance with the Pension Protection Act of 2006 ("PPA") and other legislative and regulatory changes. The plan was renamed to the Paramount Beauty 401(K) Profit Sharing Plan and Trust from the Paramount Beauty 401(K) Plan.

Mid Atlantic Trust Company ("MATC") replaced State Street Bank and Trust Company as the directed trustee of the Plan. Mid Atlantic Capital Corporation ("MACC") an affiliate of MATC now provides trade execution and settlement services. Paychex Retirement Services now provides administrative and record keeper services replacing ADP Retirement Services.

Plan assets were transferred from State Street Bank and Trust Company to Mid Atlantic Trust Company. Those assets were sent on February 29, 2016. Participants should refer to the Plan document for a more complete description of the Plan's provisions. Effective March 1, 2017, the Plan allows Roth 401(k) deferrals for eligible employees.

Notes Receivable from Participants

Subject to certain limitations, loans will be permitted not exceeding the lower of $50,000 or 50% of the participant's vested amount. Loans range in duration, but generally are subject to a maximum repayment period of five years unless used for the purchase of a primary residence. Loans are secured by the balance in the participants account and bear interest at a rate which is currently 5.25%. Principal and interest is paid ratably through monthly payroll deductions.

Participation and Contributions

Participants may contribute to the plan a percentage of their annual wages, not to exceed a maximum specific dollar amount determined by the Internal Revenue Code. These maximum amounts were $18,000 and $18,000 for the calendar years 2016 and 2015 respectively. Participants over fifty years of age may also make catch-up contributions not to exceed a maximum specific dollar amount also determined by the Internal Revenue Code. These amounts were $6,000 and $6,000 in calendar years 2016 and 2015 respectively. The Plan's investments are maintained in common/collective trusts and registered investment companies. The Plan maintains an individual account for each participant directed investment showing the

NOTE 1: PLAN DESCRIPTION (CONT'D)

Participation and Contributions (cont'd)
participant's interest in each fund; each participant's share of investment income is allocated on a pro-rata basis. Participant contributions amounted to $192,310 for the year ended December 31, 2016. Rollover contributions are accepted in the Plan. There were no rollover or employer contributions in 2016.

Participant Accounts
Each participant's account is credited with the employee-elected salary deferral contribution and an allocation of the Plan's earnings, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting
Participants are immediately vested 100% in full for participant contributions. Employer contributions are subject to a vesting schedule. There were no employer contributions in 2016. All participant balances are 100% vested.

Payment of Benefits
Upon termination of employment or on termination of service due to death, disability or retirement, a participant will be entitled to receive an amount equal to the value of the participant's vested interest in his or her account in a lump sum amount. In service withdrawals are also allowed and subject to special rules.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting
The accompanying financial statements of the Plan have been prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Use of Estimates
The preparation of financial statements in conformity with generally accepted accounting principles 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 and Income Recognition
Investments of the Plan are held by the trustee and are invested based upon instructions received from participants. 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.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Investment Valuation and Income Recognition (cont'd)
See Note 4 for discussion of fair value measurements. Purchases and sales of securities are recorded on a trade date basis. Interest income is recorded on the accrual basis. Dividend income is recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought or sold as well as held during the year.

Notes Receivable Participants
Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses when they are incurred. A loan that is considered in default is reported as a deemed distribution which is a taxable event for the participant. No allowance for credit losses has been recorded as of December 31, 2016 and 2015.

Administrative Expenses
Administrative expenses are paid by the Plan or the Company, in accordance with the Plan's provisions. Administrative expenses paid by the Company include record keeping. Expenses relating to purchases, sales, or transfers of the Plan's investments are charged to the particular investment fund to which the expenses relate. Administrative expenses relating to loans and distributions are paid by the Plan and allocated to the appropriate participant accounts. All other administrative expenses are paid by the Company.

Payment of Benefits
Benefits are recorded when paid.

Recently Enacted Accounting Pronouncements

The Plan adopted the guidance issued by the Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") 2015-12 Plan Accounting: Defined Contribution Pension Plans (Topic 962).

Part II Plan Investment Disclosures. This amendment removes the requirement to disclose individual investments that represent 5% or more of net assets available for benefits and removes the requirement to disclose the net appreciation or depreciation for investments by general type. The net appreciation is presented in the aggregate. In addition, the amendment now requires that all investments should be disaggregate based only on general type, eliminating the need to further disaggregate the investments in accordance with Fair Value Measurements (Topic 820).

The Plan also adopted the guidance issued by the FASB ASU 2015-07 Disclosure for Investments in Certain Entities That Calculate NAV. Investments in entities for which fair value is calculated using the net asset value (NAV) are no longer required to categorize within the fair value hierarchy those investments that use NAV as a practical expedient, although there must be

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Recently Enacted Accounting Pronouncements (cont'd)
a reconciliation of the fair value hierarchy to amounts presented in the statement of net assets available for benefits. Disclosure of investment strategy is no longer required for funds that file a U.S. Department of Labor Form 5500.

The Board issued these ASUs to simplify and make more effective the investment disclosure requirements for employee benefit plans. The Plan has reflected the effects of these amendments as of December 31, 2016 and 2015 and for the year ended December 31, 2016.

Subsequent Events
The Plan has evaluated, for potential recognition and disclosure, events subsequent to the date of the statement of net assets available for benefits through October 13, 2017, the date the financial statements were available to be issued.

NOTE 3: INVESTMENTS - UNAUDITED INFORMATION PREPARED AND CERTIFIED BY TRUSTEE

The net investment income from the investments consist of interest, dividends, realized and unrealized appreciation or depreciation in market value of the investments, net of investment expenses.

The following information included in the accompanying financial statements and supplemental schedule was obtained from data that has been prepared and certified to as complete and accurate by the trustees, Mid Atlantic Trust Company and State Street Bank and Trust Company, for the years ended December 31, 2015 and 2014. Mid Atlantic Trust Company held the Plan's investment assets and executed investment transactions from March 1, 2016, to December 31, 2016, and that State Street Bank and Trust Company held the Plan's investment assets and executed investment transactions as of December 31, 2015, and for the period January 1, 2016, to February 29, 2016.

NOTE 3: INVESTMENTS - UNAUDITED INFORMATION PREPARED AND CERTIFIED BY TRUSTEE (CONT'D)

	2016	2015
Investments (at fair value) :		
	Certified by Mid Atlantic Trust Company	Certified by State Street Bank and Trust Company
Mutual Funds/ Registered Investment Companies	$ 2,572,505	$ 2,154,916
Common / Collective Trusts		181,739
Total Investments (at fair value) - December 31,	$ 2,572,505	$ 2,336,655

The Plan's investments (including gains and losses on investments bought and sold as well as held during the year), appreciated in value for the year ended December 31, 2016:

Dividend and Interest Income	$ 35,729
Net appreciation in fair value of investments	43,646
Net investment income	$ 79,375
Certified by State Street Bank and Trust Company	
Dividend and Interest Income	$ 4,035
Net appreciation in fair value of investments	(137,586)
Net investment income	$ (133,551)
Certified by Mid Atlantic Trust Company	
Dividend and Interest Income	$ 31,694
Net appreciation in fair value of investments	181,232
Net investment income	$ 212,926

NOTE 4: FAIR VALUE MEASUREMENTS

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

NOTE 4: FAIR VALUE MEASUREMENTS (CONT'D)

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 assets or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

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

The asset or liability's fair value 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.

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

Mutual Funds

Mutual Funds are valued at the daily closing price as reported by the Company. Mutual Funds held by the Plan are open-end Investment Companies that are registered with the Securities and Exchange Commission. These companies are required to publish their daily NAV and to transact at that price. The Mutual Funds held by the Plan are deemed to be actively traded.

Common Collective Trust Funds

Collective trust funds are valued at the net asset value (NAV) of units of a bank collective trust. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV. Participant transactions (purchases and sales) may occur daily. Were the Plan to initiate a full redemption of the collective trust, the investment advisor reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2016 and 2015.

Assets at fair value as of December 31, 2016

	Level 1	Level 2	Level 3	Total
Mutual Funds	$ 2,572,505			$ 2,572,505
Common / Collective Trust funds- NAV				
Total Investments at Fair Value				$ 2,572,505

Assets at fair value as of December 31, 2015

	Level 1	Level 2	Level 3	Total
Mutual Funds	$ 2,154,916			$ 2,154,916
Common / Collective Trust funds- NAV				181,739
Total Investments at Fair Value				$ 2,336,655

There are no participant redemption restrictions for these investments.

NOTE 5: RELATED-PARTY TRANSACTIONS AND PARTY IN INTEREST TRANSACTIONS

Effective March 1, 2016, the Plan is administered by Paychex Retirement Services who is also the Plan's record keeper. The Plan trustee and custodian is Mid Atlantic Trust Company. Mid Atlantic Capital Corporation provides trade execution and settlement services. The Plan's investment options include mutual funds. The Plan's record keeper prior to March 1, 2016, was ADP Retirement Services, and the trustee and custodian was State Street Bank and Trust Company. Transactions in certain investments qualify as party-in-interest transactions and are exempt from the prohibited transaction rules.

NOTE 6: TAX STATUS

The Plan is a prototype 401(k) Plan of Paychex, Inc. and previously ADP. The Internal Revenue Service has determined and informed Paychex Inc. and ADP by a letter that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan has not received a determination letter specific to the Plan itself. However, the Plan administrator believes that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believes that the Plan is qualified, and the related trust is tax-exempt.
Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the plan and recognize a tax liability if the plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. 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.

NOTE 7: 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 reasonable possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

NOTE 8: PLAN TERMINATION OR MODIFICATION

The Company intends to continue the Plan indefinitely for the benefit of the participants. However, it reserves the right to terminate or modify the Plan at any time by resolution of its Board of Directors and subject to the provisions of ERISA. In the event the Plan is terminated in the future, participants would become fully vested in their accounts.

NOTE 9: EXCESS CONTRIBUTIONS PAYABLE

Subsequent to December 31, 2016 and 2015, certain participant contributions were deemed to be excess contributions under the Code. These excess contributions amounted to $18,165 in 2016 and $3,698 in 2015. The 2016 excess contributions and related investment earnings were returned in 2017. The Plan Sponsor and third party administrator failed to make a corrective distribution of the 2015 amount in 2016. Currently the plan is in the process of remitting the distribution to the participant.

NOTE 10: PROHIBITED TRANSACTION - UNPAID BENEFITS

During 2016, the Plan Sponsor and third party administrator inadvertently failed to make a corrective distribution amounting to $3,698 for one participant. The DOL considers unpaid benefits without regard to materiality to be prohibited transactions. The general rule requires that the corrective distribution paid to participants in the following year. Currently, the Plan is in the process of remitting the distribution to participant.

NOTE 10 - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2016 and 2015 to Form 5500:

2016

Net Assets Available for Benefits per the Financial Statements	$	2,583,685
Less: Participant Note deemed to be distributed		(15,638)
Add: Excess Contributions Payable		21,863
Net Assets Available for Benefits per Form 5500	$	2,589,910

2015

Net Assets Available for Benefits per the Financial Statements	$	2,404,407
Less: Participant Note deemed to be distributed		(14,904)
Add: Employee Contributions receivable		3,698
Net Assets Available for Benefits per Form 5500	$	2,393,201

NOTE 10 - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500 (CONTINUED)

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

Changes in Net Assets Available for Benefits per the Financial Statements	$ 179,278
Add: Excess Employee Contributions	18,165
Less:Deemed Distribution of Participant Notes - Interest	(734)
Changes in Net Assets Available for Benefits per Form 5500	$ 196,709

PARAMOUNT BEAUTY 401(K) PROFIT SHARING PLAN AND TRUST
EIN # 11-2204689
PLAN NUMBER: 001
Schedule H, Line 4i - Schedule of Assets (Held At End of Year)
As of December 31, 2016

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of Investment	Shares or Units	(d) Cost	(e) Current Value
	PIMCO Total Return Fund	Mutual Fund	10,023.62	N/A	100,537
	SSGA S&P 500 Index Fund	Mutual Fund	2,060.92	N/A	67,227
	SSGA Dynamic Small Cap Fund	Mutual Fund	881.10	N/A	39,720
	Janus Overseas Fund	Mutual Fund	2,713.67	N/A	68,737
	George Putnam Balanced Fund	Mutual Fund	8,229.39	N/A	144,837
	Loomis Sayles Core Plus Bond Fund	Mutual Fund	4,495.21	N/A	56,909
	T. Rowe Price Retirement Balanced Fund	Mutual Fund	3,015.62	N/A	44,239
	Fidelity Advisor Equity Income	Mutual Fund	8,306.68	N/A	265,897
	Janus Triton Fund	Mutual Fund	9,129.75	N/A	213,180
	T. Rowe Price 2030 Fund	Mutual Fund	17,344.68	N/A	387,654
	AB Sustainable Global Thematic Fund	Mutual Fund	388.69	N/A	33,972
	T. Rowe Price 2020 Fund	Mutual Fund	15,020.77	N/A	304,621
	American Funds Euro Pacific Growth Fund	Mutual Fund	743.62	N/A	32,906
	Deutsche Global High Income Fund	Mutual Fund	13,008.59	N/A	87,808
	Victory RS Value Fund	Mutual Fund	535.39	N/A	14,472
	T. Rowe Price 2010 Fund	Mutual Fund	2,828.13	N/A	48,870
	Janus Forty Fund	Mutual Fund	2,425.59	N/A	67,868
	Alger Capital Appreciation Fund	Mutual Fund	1,316.30	N/A	26,405
	Undiscovered Managers Behavioral Value Fund	Mutual Fund	631.51	N/A	39,873
	T. Rowe Price 2040 Fund	Mutual Fund	15,416.66	N/A	354,892
	Deutsche Mid Cap Growth Fund	Mutual Fund	1,258.83	N/A	21,249
	Ssga International Stock Selection Fund	Mutual Fund	1.41	N/A	14
	Wells Fargo Special Mid Cap Value Fund	Mutual Fund	1,611.72	N/A	56,684
	PIMCO Income Fund	Mutual Fund	5.90	N/A	71
	Goldman Sachs Strategic Income Fund	Mutual Fund	7.28	N/A	70
	American Beacon Bridgeway Large Cap Value Fund	Mutual Fund	0.58	N/A	15
	State Street Institutional U.S. Government Money Market Fund	Mutual Fund	93,778.29	N/A	93,778
	Investments, at fair value				$ 2,572,505
	*** Notes Receivable from Participants**	**Loan Fund 5.25%-5.25% Due 2017 -2021**		N/A	17,405
	Total				$ 2,589,910

*** Indicated party-in-interest to the plan**

Note: Cost information is not presented because all investments are Participant-directed.

PARAMOUNT BEAUTY 401(K) PROFIT SHARING PLAN AND TRUST
EIN # 11-2204689
PLAN NUMBER: 001
Schedule H, Line 4i - Schedule of Assets (Held At End of Year)
As of December 31, 2016

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of Investment	Shares or Units	(d) Cost	(e) Current Value
	PIMCO Total Return Fund	Mutual Fund	10,023.62	N/A	100,537
	SSGA S&P 500 Index Fund	Mutual Fund	2,060.92	N/A	67,227
	SSGA Dynamic Small Cap Fund	Mutual Fund	881.10	N/A	39,720
	Janus Overseas Fund	Mutual Fund	2,713.67	N/A	68,737
	George Putnam Balanced Fund	Mutual Fund	8,229.39	N/A	144,837
	Loomis Sayles Core Plus Bond Fund	Mutual Fund	4,495.21	N/A	56,909
	T. Rowe Price Retirement Balanced Fund	Mutual Fund	3,015.62	N/A	44,239
	Fidelity Advisor Equity Income	Mutual Fund	8,306.68	N/A	265,897
	Janus Triton Fund	Mutual Fund	9,129.75	N/A	213,180
	T. Rowe Price 2030 Fund	Mutual Fund	17,344.68	N/A	387,654
	AB Sustainable Global Thematic Fund	Mutual Fund	388.69	N/A	33,972
	T. Rowe Price 2020 Fund	Mutual Fund	15,020.77	N/A	304,621
	American Funds Euro Pacific Growth Fund	Mutual Fund	743.62	N/A	32,906
	Deutsche Global High Income Fund	Mutual Fund	13,008.59	N/A	87,808
	Victory RS Value Fund	Mutual Fund	535.39	N/A	14,472
	T. Rowe Price 2010 Fund	Mutual Fund	2,828.13	N/A	48,870
	Janus Forty Fund	Mutual Fund	2,425.59	N/A	67,868
	Alger Capital Appreciation Fund	Mutual Fund	1,316.30	N/A	26,405
	Undiscovered Managers Behavioral Value Fund	Mutual Fund	631.51	N/A	39,873
	T. Rowe Price 2040 Fund	Mutual Fund	15,416.66	N/A	354,892
	Deutsche Mid Cap Growth Fund	Mutual Fund	1,258.83	N/A	21,249
	Ssga International Stock Selection Fund	Mutual Fund	1.41	N/A	14
	Wells Fargo Special Mid Cap Value Fund	Mutual Fund	1,611.72	N/A	56,684
	PIMCO Income Fund	Mutual Fund	5.90	N/A	71
	Goldman Sachs Strategic Income Fund	Mutual Fund	7.28	N/A	70
	American Beacon Bridgeway Large Cap Value Fund	Mutual Fund	0.58	N/A	15
	State Street Institutional U.S. Government Money Market Fund	Mutual Fund	93,778.29	N/A	93,778
	Investments, at fair value				$ 2,572,505
	*** Notes Receivable from Participants**	**Loan Fund 5.25%-5.25% Due 2017 -2021**		N/A	17,405
	Total				$ 2,589,910

*** Indicated party-in-interest to the plan**

Note: Cost information is not presented because all investments are Participant-directed.