

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>HARLOW-HRK SALES & MARKETING, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	1b Three-digit plan number (PN) ► <u>002</u>
		1c Effective date of plan <u>01/01/2014</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>HARLOW-HRK SALES & MARKETING, INC.</u> <u>2501 NEFF ROAD</u> <u>DAYTON, OH 45414</u>	
	2b Employer Identification Number (EIN) <u>20-2158537</u>	
	2c Plan Sponsor's telephone number <u>937-274-1905</u>	
	2d Business code (see instructions) <u>425120</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.	10/16/2017	MATT BUSKIRK
	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

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3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 188
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) 174 6a(2) 181 6b 0 6c 28 6d 209 6e 0 6f 209 6g 209 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: 2I 2P 2Q	
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) ☐ <u>0</u> 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
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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>HARLOW-HRK SALES & MARKETING, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	B Three-digit plan number (PN) ►	<u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>HARLOW-HRK SALES & MARKETING, INC.</u>	D Employer Identification Number (EIN) <u>20-2158537</u>	

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	19477863
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	0	0
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	10000000	0
(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	10000000	19477863

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i	2700000	0
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	2700000	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	7300000	19477863
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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)	1111674	
(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)		1111674
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	1684780	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		1684780
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	19477863	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	10000000	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		9477863
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		12274317

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	11674	
(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)		11674
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		84780
i Administrative expenses: (1) Professional fees.....	2i(1)		
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		0
j Total expenses. Add all expense amounts in column (b) and enter total	2j		96454

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		12177863
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: THORN LEWIS & DUNCAN

(2) EIN: 31-1122097

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

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

Part IV Compliance Questions

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

During the plan year:

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

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

	Yes	No	Amount
4a		X	
4b		X	

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

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If "Yes," enter the amount of any plan assets that reverted to the employer this year. ☒ Yes ☐ No Amount: 0

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>HARLOW-HRK SALES & MARKETING, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>HARLOW-HRK SALES & MARKETING, INC.</u>	D Employer Identification Number (EIN) <u>20-2158537</u>

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>20-1171923</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	

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

Harlow-HRK Sales and Marketing, Inc.
Employee Stock Ownership Plan

Financial Statements and Supplemental Schedule
for the Years Ended December 31, 2016 (in Liquidation) and
2015 (Ongoing) and Independent Auditor's Report

HARLOW-HRK SALES & MARKETING, INC. EMPLOYEE STOCK OWNERSHIP PLAN

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NOTE: Certain supplemental schedules are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA). Schedules not filed herewith are omitted because of the absence of conditions under which they are required.

Thorn Lewis + Duncan

Certified Public Accountants
Business Advisors **INC.**

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INDEPENDENT AUDITOR'S REPORT

Plan Administrator

Harlow-HRK Sales & Marketing, Inc. Employee Stock Ownership Plan:

Report on the Financial Statements

We have audited the accompanying financial statements of Harlow-HRK Sales & Marketing, Inc. Employee Stock Ownership Plan, which comprise the statement of net assets available for benefits as of December 31, 2016 (in liquidation), the related statement of changes in net assets available for benefits for the year ended December 31, 2016 (in liquidation), the statement of net assets available for benefits as of December 31, 2015 (Ongoing), the related statement of changes in net assets available for benefits for the year ended December 31, 2015 (Ongoing), and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Plan management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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 our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of Harlow-HRK Sales & Marketing, Inc. Employee Stock Ownership Plan as of December 31, 2016 (in Liquidation) and 2015 (Ongoing), and the changes in net assets available for benefits for the years ended December 31, 2016 (in Liquidation) and 2015 (Ongoing) in accordance with accounting principles generally accepted in the United States of America.

Basis of Accounting

As described in Note 2 to the financial statements, the governing body of the Harlow HRK-Sales and Marketing, Inc. Employee Stock Option Plan approved a plan of liquidation on December 31, 2016, and management determined liquidation is imminent. As a result, the Plan has changed its basis of accounting from the going concern basis used in presenting the 2015 financial statements to the liquidation basis used in presenting the 2016 financial statements. Our opinion is not modified with respect to this matter.

Report on Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of reportable transactions is presented for the purpose of additional analysis and is not a required part of the financial statements, but is supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Matter

As disclosed in Note 8 to the financial statements, certain errors in the 2015 Statement of Changes in Net Assets Available for Benefits were discovered by management of the Plan during the current year. Corrections have been made to the Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2015 to correct those errors. Our opinion is not modified with respect to this matter.

THOMAS LEWIS + DUNCAN INC.

October 16, 2017

HARLOW-HRK SALES & MARKETING, INC. EMPLOYEE STOCK OWNERSHIP PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2016 (IN LIQUIDATION) AND 2015 (ONGOING)

	(In Liquidation) 2016			(Ongoing) 2015		
	Allocated	Unallocated	Total	Allocated	Unallocated	Total
ASSETS						
Cash	\$ 19,477,863		\$ 19,477,863			
Investment in Harlow-HRK Sales and Marketing, Inc. common stock, at fair value				\$ 1,108,407	\$ 8,891,593	\$ 10,000,000
LIABILITIES						
Note payable					2,700,000	2,700,000
NET ASSETS AVAILABLE FOR BENEFITS						
	<u>\$ 19,477,863</u>		<u>\$ 19,477,863</u>	<u>\$ 1,108,407</u>	<u>\$ 6,191,593</u>	<u>\$ 7,300,000</u>

See notes to financial statements.

HARLOW-HRK SALES & MARKETING, INC. EMPLOYEE STOCK OWNERSHIP PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2016 (IN LIQUIDATION) AND 2015 (ONGOING)

	(In Liquidation) 2016			(As Restated) (Ongoing) 2015		
	Allocated	Unallocated	Total	Allocated	Unallocated	Total
ADDITIONS:						
Net appreciation in fair value of investments	\$ 9,477,863		\$ 9,477,863	\$ 121,925	\$ 978,075	\$ 1,100,000
Employer contributions	11,674	\$ 1,100,000	1,111,674	1,665	239,490	241,155
Dividends		1,684,780	1,684,780			
Allocation of 889,159.256 shares of common stock	8,891,593		8,891,593			
Allocation of 60,747.459 shares of common stock				540,652		540,652
Total additions	<u>18,381,130</u>	<u>2,784,780</u>	<u>21,165,910</u>	<u>664,242</u>	<u>1,217,565</u>	<u>1,881,807</u>
DEDUCTIONS:						
Benefit payments	11,674		11,674	1,665		1,665
Interest expense		84,780	84,780		89,490	89,490
Allocation of 889,159.256 shares of common stock		8,891,593	8,891,593			
Allocation of 60,747.459 shares of common stock					540,652	540,652
Total deductions	<u>11,674</u>	<u>8,976,373</u>	<u>8,988,047</u>	<u>1,665</u>	<u>630,142</u>	<u>631,807</u>
NET INCREASE (DECREASE)	18,369,456	(6,191,593)	12,177,863	662,577	587,423	1,250,000
NET ASSETS AVAILABLE FOR BENEFITS						
Beginning of year	<u>1,108,407</u>	<u>6,191,593</u>	<u>7,300,000</u>	<u>445,830</u>	<u>5,604,170</u>	<u>6,050,000</u>
End of year	<u>\$ 19,477,863</u>	<u>\$ -</u>	<u>\$ 19,477,863</u>	<u>\$ 1,108,407</u>	<u>\$ 6,191,593</u>	<u>\$ 7,300,000</u>

See notes to financial statements.

HARLOW-HRK SALES & MARKETING, INC. EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2016 (IN LIQUIDATION) AND 2015 (ONGOING)

1. DESCRIPTION OF PLAN

The following description of Harlow-HRK Sales & Marketing, Inc. Employee Stock Ownership Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General - Harlow-HRK Sales and Marketing, Inc. (the Company) established the Plan effective as of January 1, 2014. Prior to December 31, 2016, the Plan operated, in relevant part, as a leveraged employee stock ownership plan (ESOP) and was designed to comply with Sections 4975(e)(7) and the regulations thereunder of the Internal Revenue Code of 1986 as amended (IRC). The Plan was amended in conformity with section 411(d)(6) of the Internal Revenue Code effective December 31, 2016 to convert the plan to a profit sharing plan and to simultaneously freeze and terminate the plan. The plan is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan is administered by the Administrative Committee and uses Crowe Horwath, LLP, as an independent third party administrator. First Bankers Trust Services, a corporate independent third party, is the Plan's trustee.

In June 2014 the Plan purchased 1,000,000 shares of the Company's common stock with a loan to the Plan Sponsor (see note 5) and held the common stock in a trust established under the Plan. Following this transaction, the Company was 100% owned by the Plan. The stock was purchased at a price of \$3.00 per share, for an aggregate purchase price of \$3,000,000. The borrowing was collateralized by the unallocated shares of common stock. The Plan Sponsor has no rights against shares of common stock once they are allocated to participants in accordance with the terms of the ESOP. Accordingly, the financial statements of the Plan as of December 31, 2016 and 2015 and for the years then ended, present separately the assets and liabilities and changes therein pertaining to:

- a. The accounts of employees with rights in allocated common stock (allocated), and
- b. Common stock not yet allocated to employees (unallocated)

On December 30, 2016 all shares of the Company's common stock were sold to an unrelated third party and the loan to the plan sponsor was paid in full. As a result, all remaining unallocated shares were released and allocated to the employees. In connection with the sale the Company simultaneously froze eligibility and benefits and terminated the Plan effective December 31, 2016. Liquidation of the Plan was determined to be imminent. Final distributions of net assets are determined based on all participants being 100% vested and are to be made by December 31, 2018. A portion of the sale proceeds are being held in escrow contingent on any future claims that might arise. If no future claims arise the balance in the escrow account will be deposited into the Plan. The maximum amount of proceeds held in escrow that the Plan could receive is \$1,246,113. \$425,901 of this maximum was received in August 2017 with the remainder expected to be received in January 2018.

Eligibility - An eligible employee is any person employed by Harlow-HRK Sales & Marketing, Inc. and subsidiaries who has completed one year of continuous service, is age 21 or older and is employed on the next entry date. A year of service, for eligibility purposes, means a consecutive 12-month period in which the employee is credited with at least 1,000 hours of service. Participants who do not have at least 1,000 hours of service during such Plan year or are not employed on December 31 of the Plan year

are generally not eligible for an allocation of Company contributions for such year, unless they cease employment due to death, permanent disability, or retirement. The Plan was frozen effective December 31, 2016 and therefore no new employees may join the plan subsequent to that date.

Employer Contributions - The Company is obligated to make cash contributions to the Plan in the amount sufficient to cover any loan obligation and other liabilities of the Plan as due. Additional cash or Company stock contributions may be made at the discretion of the Board of Directors. Employer contributions were \$1,111,674 in 2016 and \$241,155 in 2015. No further contributions will be made to the Plan subsequent to the Plan termination date.

Payment of Benefits - Effective December 31, 2016, all distributions shall be in the form of cash. Prior to December 31, 2016, distributions on account of death, disability, or retirement were made in the Plan year following the event. Distributions for other separations from service were to begin in the sixth Plan year following the separation from service or at the time of final distributions of the plan. The plan sponsor could force distributions for terminated employees whose account balance was less than \$1,000. Distributions were made in the form of cash, stock, or any combination thereof at the discretion of the Plan Administrator. Shares of stock distributed were repurchased by the Plan Sponsor immediately following the distribution. The Plan Sponsor could have elected to pay the purchase price in a lump sum or in five substantially equal annual installments and paid a reasonable rate of interest on the installments. The amount to be distributed was based upon the immediately preceding valuation date.

Voting Rights - Effective December 30, 2016 voting rights have ceased as there are no longer shares of stock allocated to participant accounts. Prior to December 30, 2016, each participant was entitled, in certain circumstances, to exercise voting rights attributable to the shares allocated to his or her account and were notified by the Trustee prior to the time that such rights were exercised. The Trustee was not permitted to vote any allocated share for which instructions had not been given by a participant. The Trustee was required, however, to vote any unallocated shares on behalf of the collective best interests of Plan participants and beneficiaries.

Participants' Accounts - The Plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant's account is credited as of the last day of each Plan year with an allocation of shares of the Company's common stock released by the Trustee from the unallocated accounts and forfeitures of terminated participants' nonvested accounts. Only those participants who are eligible employees of the Company as of the last day of the Plan year will receive an allocation. Allocations are based on a participant's eligible compensation, relative to the total eligible compensation. Plan earnings are allocated to each participant's account based on the ratio of the participant's account balance. On December 30, 2016 all shares of the Company's common stock were released by the Trustee upon full payment of the note payable and all shares were allocated to eligible participant accounts.

Vesting – Participants became fully vested in their account balances effective December 31, 2016 upon termination of the Plan. Prior to December 31, 2016, if a participant's employment with the Company ended for any reason other than retirement, permanent disability, or death, he or she would vest in the balances in his or her account based on total years of service with the Company. Participants' vested interests increased from 20% after the second year of service to 100% after the sixth year. For purposes of determining a participant's vested interest in their Plan account, a participant received credit for one year of service for each five years of service earned prior to the effective date of the plan.

Put Option - Under federal income tax regulations, the employer stock that is held by the Plan and its participants is not readily tradable on an established market, or is subject to trading limitations, and includes a put option. The put option is a right to demand that the Company buy any shares of its stock distributed to participants for which there is no market. The put price is representative of the previous year share price. The Company can pay for the purchase with interest over a period of five years. The purpose of the put option is to ensure that the participant has the ability to ultimately obtain cash.

Forfeitures - Plan forfeitures are allocated to each participant's account based upon the relation of the participant's eligible compensation to total eligible compensation for the Plan year. There were no forfeitures allocated in 2016 and 974.62 shares valued at \$9,746 were allocated in 2015. There were no forfeited nonvested accounts to be allocated to participant accounts in future years as of December 31, 2016 and 2015.

Tax Status - The Plan has received a determination letter from the IRS dated February 18, 2015, stating that the Plan is qualified under the IRC and, therefore, the related trust is exempt from taxation. Once qualified, the Plan is required to operate in conformity with the IRC to maintain its qualification. Although the Plan has been amended since receiving its acceptance under Section 401 of the IRC, the Plan administrator and Plan sponsor believe that the Plan is designed and currently being operated in compliance with the applicable requirements of the IRC. Therefore, the Plan administrator believes that the Plan is qualified, and the related trust is tax-exempt as of the financial statement date.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the plan and recognize a tax liability (or asset) if the organization 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, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax period in progress.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting – As a result of the Plan terminating on December 31, 2016 (Note 1), the Plan has changed its basis of accounting from the going concern basis used in presenting the 2015 financial statements to the liquidation basis used in presenting the 2016 financial statements.

The Plan has evaluated subsequent events through October 16, 2017, the date the financial statements were approved and authorized by the Plan administrator.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures of net assets available for benefits as of the date of the financial statements and the reported amounts of changes in net assets available for benefits during the reporting period. Actual results could differ from those estimates.

Allocations - The financial statements of the Plan present separately the assets and liabilities and changes therein pertaining to (a) the accounts of employees (“allocated”), including shares that are committed to be released and (b) assets not yet allocated to participants (“unallocated”). Shares are released from collateral and become allocated generally in the period in which debt service is actually paid. The notes payable was paid in full on December 30, 2016 and all remaining shares were released and allocated to the eligible participant accounts.

Diversification – Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in Company common stock into investments which are more diversified. Participants who are at least age 55 with at least 10 years of participation in the Plan, may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a six-year period. In each of the first five years, a participant may diversify up to 25 percent of the number of shares allocated to his or her accounts, less any shares previously diversified. In the sixth year, the percentage increases to 50 percent. Participants who elect to diversify will have the elected portion of their account transferred to a separate Directed Investment Account and invested in investment options made available by the Plan Administrator.

Investment Valuation and Income Recognition - The shares of Company common stock are valued at fair value. See note 4 for a discussion of the fair value measurements. Net appreciation includes the Plan’s gains and losses on investments bought and sold as well as held during the year.

Payment of Benefits - Benefits are recorded when paid.

Expenses of the Plan - The Sponsor has elected to pay certain administrative expenses of the Plan and provides administrative services at no cost to the Plan. If not paid by the Sponsor, administrative expenses become a liability and are paid out of the Plan.

3. INVESTMENTS

The plan’s investments at December 31, 2015 are presented in the following table:

	(Ongoing) 2015	
	Allocated	Unallocated
Harlow-HRK Sales and Marketing, Inc common stock:		
Number of Shares	110,840.7444	889,159.2556
Cost	\$ <u>332,522</u>	\$ <u>2,667,478</u>
Estimated fair value of investments	\$ <u>1,108,407</u>	\$ <u>8,891,593</u>

4. FAIR VALUE MEASUREMENTS

The Plan's measurement of fair value for assets and liabilities is based on the framework established in the fair value accounting guidance. The framework is based on the inputs used in valuation, gives the highest priority to quoted prices in active markets, and requires that observable inputs be used in the valuations when available. The three levels of the hierarchy are as follows:

- Level 1: observable inputs such as unadjusted quoted prices in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included in active markets that are observable either directly or indirectly
- Level 3: unobservable inputs in which there is little or no market data, which requires the Plan to develop its own assumptions

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 table sets forth by level, within the fair value hierarchy, the Plan's investment assets and liabilities at fair value as of December 31, 2015:

	(Ongoing)	
	Assets at Fair Value as of December 31, 2015	
	Level 3	Total
Investment in Harlow-HRK Sales and Marketing, Inc. common stock	\$ 10,000,000	\$ 10,000,000
Total investment assets at fair value	\$ 10,000,000	\$ 10,000,000

	(Ongoing)	
	Liabilities at Fair Value as of December 31, 2015	
	Level 2	Total
Note payable	\$ 2,700,000	\$ 2,700,000
Total liabilities at fair value	\$ 2,700,000	\$ 2,700,000

Changes in Fair value of Level 3 Assets and Related Gains and Losses

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

	Level 3 Assets	
	Year Ended December 31,	
	2016	2015
Balance, beginning of year	\$ 10,000,000	\$ 8,900,000
Total gains included in changes in net assets available for benefits	9,477,863	1,100,000
Proceeds from sale of common stock	(19,477,863)	
Balance, end of year	<u>\$ -</u>	<u>\$ 10,000,000</u>

The amount of total gains or losses for the period included in changes in net assets attributable to the change in unrealized gains or losses relating to assets still held at the reporting date	<u>\$ -</u>	<u>\$ 1,100,000</u>
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Realized and unrealized gains and losses included in changes in net assets for the year above are reported in net appreciation in fair value of investments in the Statement of Changes in Net Assets Available for Benefits.

The Harlow-HRK Sales and Marketing, Inc. common stock held by the Plan is valued at fair value based upon an independent appraisal. The valuation process involved the selection of an independent appraiser by the trustee. Plan management accumulates the data for the appraiser from historical and projected financial information of the Company. The appraiser prepares a preliminary report that plan management, along with the ESOP trustee, reviews in detail, discusses, and approves.

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

5. LOAN PAYABLE

In 2014, the Plan entered into a \$3,000,000 term loan agreement with the Plan Sponsor. The proceeds of the loan were used to purchase Company common stock. Unallocated shares are collateral for the loan. Shares are released from collateral and allocated to participants as payments of principal and interest are made. The number of shares released in any year is the number of shares held as collateral, times the ratio of the current year payments divided by the total of this year's payments, plus all future years' principal and interest payments. The agreement provides for the loan to be repaid over 20 annual payments through December 31, 2033 with a fixed interest rate of 3.14%. The loan was paid in full on December 30, 2016 in connection with the sale of Company common stock (Note 1) resulting in 889,159.256 shares being released and allocated for plan year ended December 31, 2016. 60,747.459 shares were released and allocated for plan year ended December 31, 2015.

The fair value of the note payable as of December 31, 2015 was \$2,700,000. Interest expense was \$84,780 in 2016 and \$89,490 in 2015.

6. RELATED PARTY AND PARTY-IN-INTEREST

The Plan invests in Company common stock and has indebtedness to the Company. These are related party and party-in-interest transactions. As described in Note 2, the Company paid all plan expenses. The Plan has a number of service providers. Such providers are parties in interest under ERISA.

7. RISKS AND UNCERTAINTIES

The Plan investments consist primarily of the Company's common stock, which is exposed to various risks, such as interest rate, market, and credit risks, as well as valuation assumptions based on earnings, cash flows, and other such techniques. Due to the level of risk associated with the investment in the common stock and to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in the value of the common stock will occur in the near term and that such changes could materially affect the amounts reported in the statement of net assets available for benefits.

8. RESTATEMENT

During 2016 Plan management realized the previously issued 2015 Statement of Changes in Net Assets Available for Benefits did not include the allocation of 60,747.459 shares of stock that were released in 2015. This resulted in an error between the allocated and unallocated shares. This error had no effect on Net Assets Available for Benefits. The following table identifies the previously reported and corrected amounts.

	As Originally Reported 2015				As Restated 2015		
	Allocated	Unallocated	Total		Allocated	Unallocated	Total
ADDITIONS:				ADDITIONS:			
Net appreciation in				Net appreciation in			
fair value of investments	\$ 481,439	\$ 618,561	\$ 1,100,000	fair value of investments	\$ 121,925	\$ 978,075	\$ 1,100,000
Employer contributions	182,803	58,352	241,155	Employer contributions	1,665	239,490	241,155
				Allocation of 60,747.459			
				shares of common stock	540,652		540,652
Total additions	664,242	676,913	1,341,155	Total additions	664,242	1,217,565	1,881,807
DEDUCTIONS:				DEDUCTIONS:			
Benefit payments	1,665		1,665	Benefit payments	1,665		1,665
Interest expense		89,490	89,490	Interest expense		89,490	89,490
				Allocation of 60,747.459			
				shares of common stock		540,652	540,652
Total deductions	1,665	89,490	91,155	Total deductions	1,665	630,142	631,807
NET INCREASE (DECREASE)	662,577	587,423	1,250,000	NET INCREASE (DECREASE)	662,577	587,423	1,250,000
NET ASSETS AVAILABLE FOR BENEFITS				NET ASSETS AVAILABLE FOR BENEFITS			
Beginning of year	445,830	5,604,170	6,050,000	Beginning of year	445,830	5,604,170	6,050,000
End of year	\$ 1,108,407	\$ 6,191,593	\$ 7,300,000	End of year	\$ 1,108,407	\$ 6,191,593	\$ 7,300,000

HARLOW-HRK SALES & MARKETING, INC. EMPLOYEE STOCK OWNERSHIP PLAN

SCHEDULE OF REPORTABLE TRANSACTIONS (ATTACHMENT FOR SCHEDULE H, LINE 4j) DECEMBER 31, 2016 (IN LIQUIDATION)

EIN: 20-2158537
PN: 002

Identity of issue, borrower, lessor, or similar party	Description of asset	Selling price	* Cost	Current value of asset on transaction date	Net gain
Harlow-HRK Sales & Marketing, Inc.	Common Stock	<u>\$ 19,477,863</u>	<u>\$ 10,000,000</u>	<u>\$ 19,477,863</u>	<u>\$ 9,477,863</u>

* Cost represents "revalued cost" as defined in the instructions to Form 5500, not historical cost.

See independent auditor's report.

HARLOW-HRK SALES & MARKETING, INC. EMPLOYEE STOCK OWNERSHIP PLAN

SCHEDULE OF REPORTABLE TRANSACTIONS (ATTACHMENT FOR SCHEDULE H, LINE 4j) DECEMBER 31, 2016 (IN LIQUIDATION)

EIN: 20-2158537
PN: 002

Identity of issue, borrower, lessor, or similar party	Description of asset	Selling price	* Cost	Current value of asset on transaction date	Net gain
Harlow-HRK Sales & Marketing, Inc.	Common Stock	<u>\$ 19,477,863</u>	<u>\$ 10,000,000</u>	<u>\$ 19,477,863</u>	<u>\$ 9,477,863</u>

* Cost represents "revalued cost" as defined in the instructions to Form 5500, not historical cost.

See independent auditor's report.
