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.)
- ☒ 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
HERMAN KAY COMPANY, INCORPORATED EMPLOYEE 401K SAVINGS PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 06/01/1996

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)

MYSTIC, INC.

463 7TH AVENUE
12TH FLOOR
NEW YORK, NY 10018

2b Employer Identification Number (EIN) 13-3533735

2c Plan Sponsor's telephone number 212-239-2025

2d Business code (see instructions) 315280

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.	10/20/2017	PAUL FRIEDLANDER
	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**	137
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)**	113
a(2)	Total number of active participants at the end of the plan year	**6a(2)**	127
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	23
d	Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	150
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f	Total. Add lines **6d** and **6e**.	**6f**	150
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	100
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 3H

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

9a Plan funding arrangement (check all that apply)		**9b** Plan benefit arrangement (check all that apply)	
(1)	[ ] Insurance	**(1)**	[ ] Insurance
(2)	[ ] Code section 412(e)(3) insurance contracts	**(2)**	[ ] Code section 412(e)(3) insurance contracts
(3)	[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)** [ ] **A** (Insurance Information)
- **(4)** [X] **C** (Service Provider Information)
- **(5)** [X] **D** (DFE/Participating Plan Information)
- **(6)** [ ] **G** (Financial Transaction Schedules)

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

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

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

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

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

Receipt Confirmation Code_____

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2016** **This Form is Open to Public Inspection.**

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

A Name of plan
HERMAN KAY COMPANY, INCORPORATED EMPLOYEE 401K SAVINGS PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
MYSTIC, INC.

D Employer Identification Number (EIN)
13-3533735

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

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

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

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
60 64 65	RECORDKEEPER	25	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [X] No [ ]

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

MORGAN STANLEY SMITH BARNEY

26-4310632

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
61	ADVISOR	0	Yes [X] No [ ]	Yes [ ] No [X]	63668	Yes [ ] No [X]

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

NATIONAL FINANCIAL SERVICES LLC

04-3523567

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
61	PAYING AGENT	0	Yes [X] No [ ]	Yes [X] No [ ]	64786	Yes [ ] No [X]

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
AF INVEST CO AMER R4 - AMERICAN FU 95-2566717	0.10%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
DREY INTL EQUITY A - DREYFUS TRANS 200 PARK AVENUE NEW YORK, NY 10166	0.35%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
EAGLE MID CAP GRTH A - U.S. BANCOR P.O. BOX 701 MILWAUKEE, WI 53201	0.25%

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
INVS DIVRS DIVIDND A - INVESCO INV 11 GREENWAY PLAZA, SUITE 100 HOUSTON, TX 77046	0.35%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
JPM GOVT BOND A - BOSTON FINANCIAL 330 W. 9TH STREET KANSAS CITY, MO 66160	0.25%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
LD ABT BOND DBNTR R4 - DST SYSTEMS 43-1581814	0.25%

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
MFS MID CAP VALUE R3 - MFS SERVICE 04-2865649	0.25%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
MFS TOTAL RETURN R3 - MFS SERVICE 04-2865649	0.25%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
OPPHMR INTL GROWTH A - OFI GLOBAL 225 LIBERTY STREET NEW YORK, NY 10281	0.25%

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
PUTNAM STABLE VALUE - PUTNAM INVES 04-2539562	0.25%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
VICTORY S SM CO OP A - SUNGARD INV 31-1249295	0.25%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
VIRTUS EMRG MKT OP A - VIRTUS FUND 4400 COMPUTER DRIVE WESTBOROUGH, MA 01581	0.10%

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
NATIONAL FINANCIAL SERVICES LLC	61	1369
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
FA FREEDOM 2005 A - FIDELITY DISTR 04-2270522		

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
NATIONAL FINANCIAL SERVICES LLC	61	10656
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
FA FREEDOM 2010 A - FIDELITY DISTR 04-2270522		

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
NATIONAL FINANCIAL SERVICES LLC	61	9236
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
FA FREEDOM 2015 A - FIDELITY DISTR 04-2270522		

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
NATIONAL FINANCIAL SERVICES LLC	61	17547

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
FA FREEDOM 2020 A - FIDELITY DISTR 04-2270522	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
NATIONAL FINANCIAL SERVICES LLC	61	8373

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
FA FREEDOM 2025 A - FIDELITY DISTR 04-2270522	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
NATIONAL FINANCIAL SERVICES LLC	61	6454

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
FA FREEDOM 2030 A - FIDELITY DISTR 04-2270522	

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
NATIONAL FINANCIAL SERVICES LLC	61	3978

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
FA FREEDOM 2035 A - FIDELITY DISTR 04-2270522	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
NATIONAL FINANCIAL SERVICES LLC	61	4470

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
FA FREEDOM 2040 A - FIDELITY DISTR 04-2270522	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
MORGAN STANLEY SMITH BARNEY	61	63668

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
NATIONAL FINANCIAL SERVICES LLC 04-3523567	

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

(complete as many entries as needed)

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

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

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

OMB No. 1210-0110

2016

This Form is Open to Public Inspection.

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

A Name of plan
HERMAN KAY COMPANY, INCORPORATED EMPLOYEE 401K SAVINGS PLAN

B Three-digit plan number (PN) ▶ 001

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
MYSTIC, INC.

D Employer Identification Number (EIN)
13-3533735

Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)

(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: METLIFE RELIANCE STBL VAL 20

b Name of sponsor of entity listed in (a): RELIANCE TRUST COMPANY

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
46-6625485-001	C	0

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

b Name of sponsor of entity listed in (a): PUTNAM FIDUCIARY TRUST COMPANY

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
04-3159710-202	C	4087

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

SCHEDULE H (Form 5500)

Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

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

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

OMB No. 1210-0110

2016

This Form is Open to Public Inspection

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

A Name of plan
HERMAN KAY COMPANY, INCORPORATED EMPLOYEE 401K SAVINGS PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
MYSTIC, INC.

D Employer Identification Number (EIN)
13-3533735

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	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	0
(2) Participant contributions	1b(2)	0	0
(3) Other	1b(3)	0	0
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)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans	1c(8)	93045	128319
(9) Value of interest in common/collective trusts	1c(9)	615331	4087
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	7714194	9597609
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)	0	0

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)	0	0
	(2) Employer real property	1d(2)	0	0
e	Buildings and other property used in plan operation	1e	0	0
f	Total assets (add all amounts in lines 1a through 1e)	1f	8422570	9730015
	Liabilities			
g	Benefit claims payable	1g	0	0
h	Operating payables	1h	0	0
i	Acquisition indebtedness	1i	0	0
j	Other liabilities	1j	0	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	8422570	9730015

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)	81088	
	(B) Participants	2a(1)(B)	620399	
	(C) Others (including rollovers)	2a(1)(C)	160700	
	(2) Noncash contributions	2a(2)	0	
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		862187
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	0	
	(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)	3280	
	(F) Other	2b(1)(F)	0	
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		3280
	(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)	257506	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		257506
	(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)		16395
(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)		434522
c Other income	2c		25703
d Total income. Add all **income** amounts in column (b) and enter total	2d		1599593
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	268402	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		268402
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions)	2g		455
h Interest expense	2h		0
i Administrative expenses: (1) Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	0	
(3) Investment advisory and management fees	2i(3)	0	
(4) Other	2i(4)	23291	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		23291
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		292148
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		1307445
l Transfers of assets:			
(1) To this plan	2l(1)		0
(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: MSPC CPA'S & ADVISORS **(2)** EIN: 22-2951202

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

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

Part IV Compliance Questions

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

During the plan year:

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

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		500000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
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
HERMAN KAY COMPANY, INCORPORATED EMPLOYEE 401K SAVINGS PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
MYSTIC, INC.

D Employer Identification Number (EIN)
13-3533735

Part I Distributions

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

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

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

EIN(s): 57-1198022 04-6568107

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 of 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)

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

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

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

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

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

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

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

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

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

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

Part III Amendments

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

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

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

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

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

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

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

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

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

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

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

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

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

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

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

a Enter the percentage of plan assets held as:
Stock: _____% 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 _____/_____/_____.

HERMAN KAY COMPANY, INCORPORATED
EMPLOYEE 401(K) SAVINGS PLAN

FINANCIAL STATEMENTS

FOR THE YEARS ENDED
DECEMBER 31, 2016 AND 2015

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HERMAN KAY COMPANY, INCORPORATED
EMPLOYEE 401(K) SAVINGS PLAN

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INDEPENDENT AUDITORS' REPORT

To the Trustees of
Herman Kay Company, Incorporated
Employee 401(k) Savings Plan
New York, New York

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Herman Kay Company, Incorporated Employee 401(k) Savings Plan, 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.

Auditor's Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by State Street Bank and Trust Company, Reliance Trust Company, and Fidelity Management Trust Company the trustees of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that State Street Bank and Trust Company held the Plan's investment assets and executed investment transactions from January 1, 2015 to December 31, 2015, and that Reliance Trust Company held the Plan's investment assets and executed investment transactions from January 1, 2016 to October 31, 2016, and Fidelity Management Trust Company held the Plan's investment assets and executed investment transactions from November 1, 2016 to December 31, 2016. The plan administrator has obtained certifications from the trustees as of December 31, 2016 and 2015, and for the years then ended, that the information provided to the plan administrator by the trustees is complete and accurate.

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Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion on the 2016 financial statements. Accordingly, we do not express an opinion on the 2016 financial statements referred to in the first paragraph.

Other Matter - Supplemental Schedules

The supplemental schedule of 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 this supplemental schedule.

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

MSPC

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Certified Public Accountants and Advisors,
A Professional Corporation

Cranford, New Jersey
October 10, 2017

HERMAN KAY COMPANY, INCORPORATED
EMPLOYEE 401(K) SAVINGS PLAN

Statements of Net Assets Available for Benefits

	December 31, 2016	December 31, 2015
Assets:		
Investments at Fair Value:		
Common Collective Trust	$ 4,087	$ 615,331
Mutual Funds	9,597,609	7,714,194
Total Investments at Fair Value	9,601,696	8,329,525
Receivables:		
Notes Receivable from Participants	128,319	93,045
Total Assets	9,730,015	8,422,570
Liabilities:		
None	--	--
Net Assets Available for Benefits	$ 9,730,015	$ 8,422,570

See Notes to Financial Statements.

HERMAN KAY COMPANY, INCORPORATED
EMPLOYEE 401(K) SAVINGS PLAN

Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2016

Additions to Net Assets Attributed to:	
Investment Income:	
Net Appreciation in Fair Value of Investments	$ 450,917
Interest and Dividends	257,506
Total Investment Income	708,423
Interest Income on Notes Receivable from Participants	3,280
Contributions:	
Participants	620,399
Employer	81,088
Rollover	160,700
Total Contributions	862,187
Other Income	25,703
Total Additions	1,599,593
Deductions from Net Assets Attributed to:	
Benefits Paid to Participants	268,857
Administrative Expenses	23,291
Total Deductions	292,148
Net Increase in Net Assets Available for Benefits	1,307,445
Net Assets Available for Benefits - Beginning of Year	8,422,570
Net Assets Available for Benefits - End of Year	$ 9,730,015

See Notes to Financial Statements.

(1) Description of the Plan

The following description provides only general information about the Herman Kay Company, Incorporated Employee 401(k) Savings Plan (the "Plan"). Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General - The Plan was established and became effective on June 1, 1996. The Plan is a defined contribution plan covering all non-union eligible employees of Mystic, Inc. and certain affiliates (the "Company"). The Board of Trustees have responsibility for the operation and administration of the Plan, including the appropriateness of the Plan's investment elections and monitoring investment performance. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Eligibility - A non-union employee, having attained age 21, can become eligible to participate in the Plan on the first day of the Plan year quarter following the completion of three months of service, as defined by the Plan.

Contributions - Contributions to the Plan include: (i) voluntary salary deferrals, including Roth 401(k) deferrals, (ii) employer matching contributions, (iii) profit sharing contributions, and (iv) rollover contributions.

The Plan permits eligible employees to have from 1% to 50% of their total compensation contributed to the Plan, up to the maximum pre-tax contribution limits set annually by the Internal Revenue Service ("IRS"). The Plan permits participants to select the investment allocations for their accounts.

The Company may make matching contributions, as defined by the Plan. Currently, the Company will provide a matching contribution of 25% of each participant's pre-tax contribution up to 6% of eligible compensation. During the year ended December 31, 2016, the Company made matching contributions of $79,924.

The Company may elect to make discretionary profit sharing contributions to the Plan. For the year ended December 31, 2016, the Company did not make any profit sharing contributions.

Eligible employees may rollover distributions from other qualified retirement plans, as defined in the Plan, and certain Individual Retirement Accounts ("IRA's"). Rollover contributions are not matched by the Company. These contributions are 100% vested and will automatically be invested in accordance with the participant's investment election.

Investment Elections - Amounts contributed to the Plan are held in a trust under the Plan. Participants may choose to allocate the current contribution among the various investment funds. Each participant may change their investment mix of future contributions and the current Plan accounts among the investment funds.

(1) Description of the Plan (Continued)

Participant Accounts - Each participant's account is credited with the participant's contribution and allocations of: (a) the Company's matching contribution, if any, (b) Company profit sharing contributions, if any, and (c) Plan earnings. Participant accounts are charged with an allocation of administrative expenses that are paid by the plan. Allocations are based on participant earnings, account balances, or specific participant transactions as defined in the Plan. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting - Funds held in the voluntary salary reduction, profit sharing contribution and rollover contribution accounts are fully vested and are non-forfeitable.

The Plan has a provision for certain employer contributions. The vesting schedule attributable to employer discretionary matching contributions is as follows:

Years of Vesting Service	Vesting Percentage
1	20%
2	40%
3	60%
4	80%
5	100%

Notes Receivable from Participants - Participants may borrow from the Plan under a loan feature which became effective at the Plan's inception. Loans will be granted with a minimum amount of $500 and a maximum amount equal to 50% of a participant's vested account balance, but not more than $50,000, reduced by the participant's highest loan balance if any, during the preceding 12 months. The interest rate on the loan is based on the prime rate as published in the Wall Street Journal on the 14th day of each month (or on the first business day preceding the 14th in the event the 14th is not a business day), plus one percent. All loans must be adequately secured by the participants' vested interest in the Plan. Principal and interest is paid ratably through payroll deductions.

Payment of Benefits - Upon termination of service, due to death, disability or retirement, a participant may elect to receive a lump sum amount equal to the vested value of his or her account or installments over a period of not more than his or her assumed life expectancy, as defined in the Plan. If the vested value exceeds $5,000 no distribution will be made without the employee's consent prior to reaching normal retirement age, as defined in the Plan. In addition, participants are entitled to hardship withdrawals as defined by the Plan. In no event, may payments begin any later than April 1st following the calendar year in which the participant reaches age 70-1/2.

Forfeitures - If a Participant terminates employment before being fully vested in his or her employer matching contributions, then the non-vested portion of the terminated participant's account balance remains in the Plan as a forfeiture. Forfeitures may be used to pay Plan expenses or to reduce amounts otherwise required to be contributed to the Plan by the Company. During the year ended December 31, 2016, there were forfeitures of $2,071.

(2) Summary of Significant Accounting Policies

Basis of Accounting - The financial statements of the Plan are prepared using the accrual method of accounting.

In May 2015, the Financial Accounting Standards Board issued Accounting Standards Update No. 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)* ("ASU 2015-07"). This ASU removes the requirement to include investments in the fair value hierarchy for which fair value is measured using the net asset value per share practical expedient under ASC 820. This ASU is effective for the Plan retrospectively for the year ending December 31, 2016 with early adoption permitted. Plan management early adopted ASU 2015-07 effective December 31, 2015 and its application was applied retrospectively.

In July 2015, the FASB issued ASU 2015-12, Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965): (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, (Part III) Measurement Date Practical Expedient. Part I eliminates the requirements to measure the fair value of fully benefit-responsive investment contracts but will continue to provide certain disclosures that help users understand the nature and risks of fully benefit-responsive investment contracts. Upon adoption, contract value will be the only required measure for fully benefit-responsive investment contracts. Part II eliminates the requirements to disclose individual investments that represent 5 percent or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. Part II also simplifies the level of disaggregation of investments that are measured using fair value. Plans will continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate investments by nature, characteristics and risks. Further, the disclosure of information about fair value measurements shall be provided by general type of plan asset. Part III provides a practical expedient to permit plans to measure investments and investment-related accounts as of a month-end date that is closest to the plan's fiscal year-end, when the fiscal period does not coincide with month-end. This ASU is effective for the Plan retrospectively for the year ending December 31, 2016 with early adoption permitted. Plan management early adopted all three parts of ASU 2015-12 effective December 31, 2015 and its application was applied retrospectively.

Use of Estimates - The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition - Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Plan management determines the Plan's valuation policies utilizing information principally provided by the Plans trustee, as described in Note 3.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation/depreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year. Certain costs incurred by the plan for investment management services and transaction fees are included in net appreciation (depreciation) in fair value of investments, rather than as direct payments.

(2) Summary of Significant Accounting Policies (Continued)

Notes Receivable from Participants - Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. No allowance for credit losses has been recorded as of December 31, 2016 or 2015. Delinquent notes receivable from participants are reclassified as distributions based upon the terms of the Plan document.

Payment of Benefits - Benefits are recorded when paid.

Operating Expenses - Certain administrative expenses of maintaining the Plan are paid by the Company. Expenses associated with administering participants' accounts are paid from Plan assets, which are first reduced by any forfeitures the Plan Administrator has directed to be used for payment of expenses. Any remaining expenses are shared among all participant accounts. Certain investment transaction related expenses are included in net appreciation of fair value of investments.

Subsequent Events - The Plan has evaluated subsequent events through October 10, 2017, the date the financial statements were available to be issued.

(3) Information Certified and Provided by Plan's Trustees (Unaudited)

The following is a summary of the investment information as of December 31, 2016 and 2015, and for the years then ended included throughout the Plan's financial statements and supplemental schedule, that was prepared by or derived from information provided by the trustees and furnished to the plan administrator. The plan administrator has obtained certifications from the trustees that information provided to the plan administrator by the custodian related to the following investments is complete and accurate. Accordingly, as permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to information in Notes 4 and 5 and supplemental schedule which appears throughout the financial statements and supplemental schedule related to the following investments:

	December 31, 2016	December 31, 2015
Investments at Fair Value:		
Common Collective Trust	$ 4,087	$ 615,331
Mutual Funds	9,597,609	7,714,194
Total Investments at Fair Value	$ 9,601,696	$ 8,329,525

The trustee also certified to the completeness and accuracy of the following investment income:

	Year ended December 31, 2016
Net Appreciation in Fair Value of Investments	$ 450,917
Interest and Dividends	257,506

(4) Investments

During the year ended December 31, 2016, the Plan's investments (including investments bought, sold and held during the years) appreciated in fair value by $450,917.

(5) Fair Value Measurements

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

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

Level 2 - Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability; and
- 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 assets 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.

(5) Fair Value Measurements (Continued)

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

Mutual Funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds 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: Valued at the net asset value (NAV) of units of the underlying trust. The principal value per unit of the fund is determined at the end of each day by dividing the net assets by the number of units outstanding. 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.

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

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

	Assets at Fair Value as of December 31, 2016			
	Level 1	Level 2	Level 3	Total
Mutual Funds	$ 9,597,609	$ --	$ --	$ 9,597,609
Total Assets in the Fair Value Hierarchy	$ 9,597,609	$ --	$ --	9,597,609
Investments Measured at Net Asset Value				4,087
Total Assets at Fair Value	$ 9,597,609	$ --	$ --	$ 9,601,696

	Assets at Fair Value as of December 31, 2015			
	Level 1	Level 2	Level 3	Total
Mutual Funds	$ 7,714,194	$ --	$ --	$ 7,714,194
Total Assets in the Fair Value Hierarchy	$ 7,714,194	$ --	$ --	7,714,194
Investments Measured at Net Asset Value				615,331
Total Assets at Fair Value	$ 7,714,194	$ --	$ --	$ 8,329,525

(5) Fair Value Measurements (Continued)

Changes in Fair Value Levels - The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

We evaluate the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits. For the years ended December 31, 2016 and 2015, there were no significant transfers in or out of levels 1, 2, or 3.

The following table sets forth additional disclosures of the Plan's investments whose fair value is estimated using net asset value per share (or its equivalent) as of December 31, 2016 and 2015:

	December 31, 2016			
	Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Common Collective Trust:				
Putnam Stable Value Fund (a)	$ 4,087	None	Daily	Same Day

	December 31, 2015			
	Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Common Collective Trust:				
Reliance Trust Company Stable Value Fund Collective Investment Trust, Series 25053 (b)	$ 615,331	None	Daily	Same Day

(a) The investment objective of the Putnam Stable Value Fund is to provide a competitive yield with minimal market-related risk through a strategy of investing in a variety of guaranteed investment contracts, security-backed investment contracts, separate accounts issued or wrapped by insurance companies, banks or other financial institutions, and high-quality money market instruments.

(b) The Reliance Trust Company Stable Value Fund Collective Investment Trust, Series 25053 was formed for the purpose of allowing participating plan sponsors, who maintain defined contribution plans qualified under Sections 401(a) and 501(a) of the Internal Revenue Code, to invest in MetLife Group Annuity Contract 25053 and MetLife Group Annuity Contract 37000 issued by Metropolitan Life Insurance Company (MetLife) to Reliance Trust Company. The Fund's objective is the safety and preservation of principal and accumulated interest for participant-initiated transactions.

(6) Related Party Transactions and Party-in-Interest Transactions

Fees incurred by the Plan for investment management services are included in net appreciation (depreciation) in fair value of investments rather than as direct payments. Certain administrative fees paid by the Plan directly to ADP, LLC and Fidelity Workplace Services LLC, the Plan record keepers, were $23,291 for the year ended December 31, 2016. The Plan Sponsor pays directly any other fees related to the Plan's operations.

(7) Tax Status

The Plan is based on a "volume submitter" plan document. The sponsor of the volume submitter document has received a favorable determination letter from the Internal Revenue Service (IRS) dated March 31, 2014, stating that the form of the Plan is qualified under Section 401 of the Internal Revenue Code ("IRC"). In accordance with Revenue Procedures, the Company has chosen to rely on the IRS determination letter issued to the sponsor of the volume submitter document as evidence that the form of the Plan is tax-qualified. The Plan is also required to be operated in conformity with the IRC to maintain its tax-qualified status. The Plan administrator believes that the Plan, which has been amended since the date of the determination letter, continues to be tax-qualified in both form and operation.

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

(8) Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan agreement, subject to the provisions of ERISA, to discontinue its contributions and to amend or modify the Plan at any time. In the event of plan termination, all participants will become 100 percent vested in their total account balance under the Plan.

(9) Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

. . . . . .

SUPPLEMENTARY INFORMATION

HERMAN KAY COMPANY, INCORPORATED
EMPLOYEE 401(K) SAVINGS PLAN
EIN #13-3533735 - DEFINED CONTRIBUTION PLAN
PLAN NO. 001 - PLAN YEAR ENDED DECEMBER 31, 2016

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral Par or Maturity Value	(d) Cost	(e) Current Value
Common Collective Trust:				
	Putnam Stable Value	4,087	**	$ 4,087
Mutual Funds:				
*	FA Real Estate A	4,521	**	101,364
*	FA freedom 2010 A	65,975	**	784,452
*	FA Freedom 2020A	85,889	**	1,091,659
*	FA Freedom 2030A	39,564	**	527,789
*	FA Freedom 2040 A	33,082	**	452,564
*	FA Freedom Inc A	5,359	**	57,292
*	FA Freedom 2005 A	24,106	**	276,505
*	FA Freedom 2015 A	70,328	**	837,614
*	FA Freedom 2025 A	74,756	**	935,952
*	FA Freedom 2035 A	19,666	**	251,342
*	FA Total Bond AA	46,449	**	488,653
*	FID 500 Index PR	7,899	**	618,839
*	FA Freedom 2045 A	16,312	**	172,583
*	FA Freedom 2050 A	3,782	**	39,788
*	Fid US Bond Idx Pr	420	**	4,837
*	FA Freedom 2055 A	775	**	8,874
*	Fid Glb XUS Idx Pr	297	**	3,235
*	Fid Mid Cap Idx Pr	4,124	**	74,950
*	Fid Sm Cap Idx Pr	3272	**	60,085
*	FA Freedom 2060 A	35	**	362
	Ld Abt Bond Dbntr R4	48,864	**	387,493
	Opphmr Intl Growth A	14,951	**	521,639
	Drey Intl Equity A	2,323	**	74,557
	Invs Divrs Dividend A	23,398	**	451,573
	JPM Govt Bond A	3	**	36
	Harbor Cap Apprec A	6,983	**	389,869
	AF Invest Co Amer R4	9,111	**	329,299
	Victory S Sm Co Op A	3,356	**	148,021
	MFS Total Return R3	624	**	11,269
	Virtus Emrg Mkt Op A	16,721	**	146,311
	MFS Mid Cap Value R3	14,211	**	300,144
	Eagle Mid Cap Growth A	1,089	**	48,659
	Total Mutual Funds			9,597,609
	Participants' Loans*	Various Maturities 4.25% - 10.50%		128,319
	Total			$ 9,730,015

* Represents a party-in-interest to the Plan.
** Cost omitted for participant directed investments.

See Independent Auditors' Report.

HERMAN KAY COMPANY, INCORPORATED
EMPLOYEE 401(K) SAVINGS PLAN

FINANCIAL STATEMENTS

FOR THE YEARS ENDED
DECEMBER 31, 2016 AND 2015

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HERMAN KAY COMPANY, INCORPORATED
EMPLOYEE 401(K) SAVINGS PLAN

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INDEPENDENT AUDITORS' REPORT

To the Trustees of
Herman Kay Company, Incorporated
Employee 401(k) Savings Plan
New York, New York

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Herman Kay Company, Incorporated Employee 401(k) Savings Plan, 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.

Auditor's Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by State Street Bank and Trust Company, Reliance Trust Company, and Fidelity Management Trust Company the trustees of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that State Street Bank and Trust Company held the Plan's investment assets and executed investment transactions from January 1, 2015 to December 31, 2015, and that Reliance Trust Company held the Plan's investment assets and executed investment transactions from January 1, 2016 to October 31, 2016, and Fidelity Management Trust Company held the Plan's investment assets and executed investment transactions from November 1, 2016 to December 31, 2016. The plan administrator has obtained certifications from the trustees as of December 31, 2016 and 2015, and for the years then ended, that the information provided to the plan administrator by the trustees is complete and accurate.

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Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion on the 2016 financial statements. Accordingly, we do not express an opinion on the 2016 financial statements referred to in the first paragraph.

Other Matter - Supplemental Schedules

The supplemental schedule of 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 this supplemental schedule.

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

MSPC

MSPC
Certified Public Accountants and Advisors,
A Professional Corporation

Cranford, New Jersey
October 10, 2017

HERMAN KAY COMPANY, INCORPORATED
EMPLOYEE 401(K) SAVINGS PLAN

Statements of Net Assets Available for Benefits

	December 31, 2016	December 31, 2015
Assets:		
Investments at Fair Value:		
Common Collective Trust	$ 4,087	$ 615,331
Mutual Funds	9,597,609	7,714,194
Total Investments at Fair Value	9,601,696	8,329,525
Receivables:		
Notes Receivable from Participants	128,319	93,045
Total Assets	9,730,015	8,422,570
Liabilities:		
None	--	--
Net Assets Available for Benefits	$ 9,730,015	$ 8,422,570

See Notes to Financial Statements.

HERMAN KAY COMPANY, INCORPORATED
EMPLOYEE 401(K) SAVINGS PLAN

Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2016

Additions to Net Assets Attributed to:	
Investment Income:	
Net Appreciation in Fair Value of Investments	$ 450,917
Interest and Dividends	257,506
Total Investment Income	708,423
Interest Income on Notes Receivable from Participants	3,280
Contributions:	
Participants	620,399
Employer	81,088
Rollover	160,700
Total Contributions	862,187
Other Income	25,703
Total Additions	1,599,593
Deductions from Net Assets Attributed to:	
Benefits Paid to Participants	268,857
Administrative Expenses	23,291
Total Deductions	292,148
Net Increase in Net Assets Available for Benefits	1,307,445
Net Assets Available for Benefits - Beginning of Year	8,422,570
Net Assets Available for Benefits - End of Year	$ 9,730,015

See Notes to Financial Statements.

(1) Description of the Plan

The following description provides only general information about the Herman Kay Company, Incorporated Employee 401(k) Savings Plan (the "Plan"). Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General - The Plan was established and became effective on June 1, 1996. The Plan is a defined contribution plan covering all non-union eligible employees of Mystic, Inc. and certain affiliates (the "Company"). The Board of Trustees have responsibility for the operation and administration of the Plan, including the appropriateness of the Plan's investment elections and monitoring investment performance. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Eligibility - A non-union employee, having attained age 21, can become eligible to participate in the Plan on the first day of the Plan year quarter following the completion of three months of service, as defined by the Plan.

Contributions - Contributions to the Plan include: (i) voluntary salary deferrals, including Roth 401(k) deferrals, (ii) employer matching contributions, (iii) profit sharing contributions, and (iv) rollover contributions.

The Plan permits eligible employees to have from 1% to 50% of their total compensation contributed to the Plan, up to the maximum pre-tax contribution limits set annually by the Internal Revenue Service ("IRS"). The Plan permits participants to select the investment allocations for their accounts.

The Company may make matching contributions, as defined by the Plan. Currently, the Company will provide a matching contribution of 25% of each participant's pre-tax contribution up to 6% of eligible compensation. During the year ended December 31, 2016, the Company made matching contributions of $79,924.

The Company may elect to make discretionary profit sharing contributions to the Plan. For the year ended December 31, 2016, the Company did not make any profit sharing contributions.

Eligible employees may rollover distributions from other qualified retirement plans, as defined in the Plan, and certain Individual Retirement Accounts ("IRA's"). Rollover contributions are not matched by the Company. These contributions are 100% vested and will automatically be invested in accordance with the participant's investment election.

Investment Elections - Amounts contributed to the Plan are held in a trust under the Plan. Participants may choose to allocate the current contribution among the various investment funds. Each participant may change their investment mix of future contributions and the current Plan accounts among the investment funds.

(1) Description of the Plan (Continued)

Participant Accounts - Each participant's account is credited with the participant's contribution and allocations of: (a) the Company's matching contribution, if any, (b) Company profit sharing contributions, if any, and (c) Plan earnings. Participant accounts are charged with an allocation of administrative expenses that are paid by the plan. Allocations are based on participant earnings, account balances, or specific participant transactions as defined in the Plan. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting - Funds held in the voluntary salary reduction, profit sharing contribution and rollover contribution accounts are fully vested and are non-forfeitable.

The Plan has a provision for certain employer contributions. The vesting schedule attributable to employer discretionary matching contributions is as follows:

Years of Vesting Service	Vesting Percentage
1	20%
2	40%
3	60%
4	80%
5	100%

Notes Receivable from Participants - Participants may borrow from the Plan under a loan feature which became effective at the Plan's inception. Loans will be granted with a minimum amount of $500 and a maximum amount equal to 50% of a participant's vested account balance, but not more than $50,000, reduced by the participant's highest loan balance if any, during the preceding 12 months. The interest rate on the loan is based on the prime rate as published in the Wall Street Journal on the 14th day of each month (or on the first business day preceding the 14th in the event the 14th is not a business day), plus one percent. All loans must be adequately secured by the participants' vested interest in the Plan. Principal and interest is paid ratably through payroll deductions.

Payment of Benefits - Upon termination of service, due to death, disability or retirement, a participant may elect to receive a lump sum amount equal to the vested value of his or her account or installments over a period of not more than his or her assumed life expectancy, as defined in the Plan. If the vested value exceeds $5,000 no distribution will be made without the employee's consent prior to reaching normal retirement age, as defined in the Plan. In addition, participants are entitled to hardship withdrawals as defined by the Plan. In no event, may payments begin any later than April 1st following the calendar year in which the participant reaches age 70-1/2.

Forfeitures - If a Participant terminates employment before being fully vested in his or her employer matching contributions, then the non-vested portion of the terminated participant's account balance remains in the Plan as a forfeiture. Forfeitures may be used to pay Plan expenses or to reduce amounts otherwise required to be contributed to the Plan by the Company. During the year ended December 31, 2016, there were forfeitures of $2,071.

(2) Summary of Significant Accounting Policies

Basis of Accounting - The financial statements of the Plan are prepared using the accrual method of accounting.

In May 2015, the Financial Accounting Standards Board issued Accounting Standards Update No. 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)* ("ASU 2015-07"). This ASU removes the requirement to include investments in the fair value hierarchy for which fair value is measured using the net asset value per share practical expedient under ASC 820. This ASU is effective for the Plan retrospectively for the year ending December 31, 2016 with early adoption permitted. Plan management early adopted ASU 2015-07 effective December 31, 2015 and its application was applied retrospectively.

In July 2015, the FASB issued ASU 2015-12, Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965): (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, (Part III) Measurement Date Practical Expedient. Part I eliminates the requirements to measure the fair value of fully benefit-responsive investment contracts but will continue to provide certain disclosures that help users understand the nature and risks of fully benefit-responsive investment contracts. Upon adoption, contract value will be the only required measure for fully benefit-responsive investment contracts. Part II eliminates the requirements to disclose individual investments that represent 5 percent or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. Part II also simplifies the level of disaggregation of investments that are measured using fair value. Plans will continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate investments by nature, characteristics and risks. Further, the disclosure of information about fair value measurements shall be provided by general type of plan asset. Part III provides a practical expedient to permit plans to measure investments and investment-related accounts as of a month-end date that is closest to the plan's fiscal year-end, when the fiscal period does not coincide with month-end. This ASU is effective for the Plan retrospectively for the year ending December 31, 2016 with early adoption permitted. Plan management early adopted all three parts of ASU 2015-12 effective December 31, 2015 and its application was applied retrospectively.

Use of Estimates - The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition - Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Plan management determines the Plan's valuation policies utilizing information principally provided by the Plans trustee, as described in Note 3.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation/depreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year. Certain costs incurred by the plan for investment management services and transaction fees are included in net appreciation (depreciation) in fair value of investments, rather than as direct payments.

(2) Summary of Significant Accounting Policies (Continued)

Notes Receivable from Participants - Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. No allowance for credit losses has been recorded as of December 31, 2016 or 2015. Delinquent notes receivable from participants are reclassified as distributions based upon the terms of the Plan document.

Payment of Benefits - Benefits are recorded when paid.

Operating Expenses - Certain administrative expenses of maintaining the Plan are paid by the Company. Expenses associated with administering participants' accounts are paid from Plan assets, which are first reduced by any forfeitures the Plan Administrator has directed to be used for payment of expenses. Any remaining expenses are shared among all participant accounts. Certain investment transaction related expenses are included in net appreciation of fair value of investments.

Subsequent Events - The Plan has evaluated subsequent events through October 10, 2017, the date the financial statements were available to be issued.

(3) Information Certified and Provided by Plan's Trustees (Unaudited)

The following is a summary of the investment information as of December 31, 2016 and 2015, and for the years then ended included throughout the Plan's financial statements and supplemental schedule, that was prepared by or derived from information provided by the trustees and furnished to the plan administrator. The plan administrator has obtained certifications from the trustees that information provided to the plan administrator by the custodian related to the following investments is complete and accurate. Accordingly, as permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to information in Notes 4 and 5 and supplemental schedule which appears throughout the financial statements and supplemental schedule related to the following investments:

	December 31, 2016	December 31, 2015
Investments at Fair Value:		
Common Collective Trust	$ 4,087	$ 615,331
Mutual Funds	9,597,609	7,714,194
Total Investments at Fair Value	$ 9,601,696	$ 8,329,525

The trustee also certified to the completeness and accuracy of the following investment income:

	Year ended December 31, 2016
Net Appreciation in Fair Value of Investments	$ 450,917
Interest and Dividends	257,506

(4) Investments

During the year ended December 31, 2016, the Plan's investments (including investments bought, sold and held during the years) appreciated in fair value by $450,917.

(5) Fair Value Measurements

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

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

Level 2 - Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability; and
- 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 assets 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.

(5) Fair Value Measurements (Continued)

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

Mutual Funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds 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: Valued at the net asset value (NAV) of units of the underlying trust. The principal value per unit of the fund is determined at the end of each day by dividing the net assets by the number of units outstanding. 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.

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

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

	Assets at Fair Value as of December 31, 2016			
	Level 1	Level 2	Level 3	Total
Mutual Funds	$ 9,597,609	$ --	$ --	$ 9,597,609
Total Assets in the Fair Value Hierarchy	$ 9,597,609	$ --	$ --	9,597,609
Investments Measured at Net Asset Value				4,087
Total Assets at Fair Value	$ 9,597,609	$ --	$ --	$ 9,601,696

	Assets at Fair Value as of December 31, 2015			
	Level 1	Level 2	Level 3	Total
Mutual Funds	$ 7,714,194	$ --	$ --	$ 7,714,194
Total Assets in the Fair Value Hierarchy	$ 7,714,194	$ --	$ --	7,714,194
Investments Measured at Net Asset Value				615,331
Total Assets at Fair Value	$ 7,714,194	$ --	$ --	$ 8,329,525

(5) Fair Value Measurements (Continued)

Changes in Fair Value Levels - The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

We evaluate the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits. For the years ended December 31, 2016 and 2015, there were no significant transfers in or out of levels 1, 2, or 3.

The following table sets forth additional disclosures of the Plan's investments whose fair value is estimated using net asset value per share (or its equivalent) as of December 31, 2016 and 2015:

	December 31, 2016			
	Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Common Collective Trust:				
Putnam Stable Value Fund (a)	$ 4,087	None	Daily	Same Day

	December 31, 2015			
	Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Common Collective Trust:				
Reliance Trust Company Stable Value Fund Collective Investment Trust, Series 25053 (b)	$ 615,331	None	Daily	Same Day

(a) The investment objective of the Putnam Stable Value Fund is to provide a competitive yield with minimal market-related risk through a strategy of investing in a variety of guaranteed investment contracts, security-backed investment contracts, separate accounts issued or wrapped by insurance companies, banks or other financial institutions, and high-quality money market instruments.

(b) The Reliance Trust Company Stable Value Fund Collective Investment Trust, Series 25053 was formed for the purpose of allowing participating plan sponsors, who maintain defined contribution plans qualified under Sections 401(a) and 501(a) of the Internal Revenue Code, to invest in MetLife Group Annuity Contract 25053 and MetLife Group Annuity Contract 37000 issued by Metropolitan Life Insurance Company (MetLife) to Reliance Trust Company. The Fund's objective is the safety and preservation of principal and accumulated interest for participant-initiated transactions.

(6) Related Party Transactions and Party-in-Interest Transactions

Fees incurred by the Plan for investment management services are included in net appreciation (depreciation) in fair value of investments rather than as direct payments. Certain administrative fees paid by the Plan directly to ADP, LLC and Fidelity Workplace Services LLC, the Plan record keepers, were $23,291 for the year ended December 31, 2016. The Plan Sponsor pays directly any other fees related to the Plan's operations.

(7) Tax Status

The Plan is based on a "volume submitter" plan document. The sponsor of the volume submitter document has received a favorable determination letter from the Internal Revenue Service (IRS) dated March 31, 2014, stating that the form of the Plan is qualified under Section 401 of the Internal Revenue Code ("IRC"). In accordance with Revenue Procedures, the Company has chosen to rely on the IRS determination letter issued to the sponsor of the volume submitter document as evidence that the form of the Plan is tax-qualified. The Plan is also required to be operated in conformity with the IRC to maintain its tax-qualified status. The Plan administrator believes that the Plan, which has been amended since the date of the determination letter, continues to be tax-qualified in both form and operation.

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

(8) Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan agreement, subject to the provisions of ERISA, to discontinue its contributions and to amend or modify the Plan at any time. In the event of plan termination, all participants will become 100 percent vested in their total account balance under the Plan.

(9) Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

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SUPPLEMENTARY INFORMATION

HERMAN KAY COMPANY, INCORPORATED
EMPLOYEE 401(K) SAVINGS PLAN
EIN #13-3533735 - DEFINED CONTRIBUTION PLAN
PLAN NO. 001 - PLAN YEAR ENDED DECEMBER 31, 2016

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral Par or Maturity Value	(d) Cost	(e) Current Value
Common Collective Trust:				
	Putnam Stable Value	4,087	**	$ 4,087
Mutual Funds:				
*	FA Real Estate A	4,521	**	101,364
*	FA freedom 2010 A	65,975	**	784,452
*	FA Freedom 2020A	85,889	**	1,091,659
*	FA Freedom 2030A	39,564	**	527,789
*	FA Freedom 2040 A	33,082	**	452,564
*	FA Freedom Inc A	5,359	**	57,292
*	FA Freedom 2005 A	24,106	**	276,505
*	FA Freedom 2015 A	70,328	**	837,614
*	FA Freedom 2025 A	74,756	**	935,952
*	FA Freedom 2035 A	19,666	**	251,342
*	FA Total Bond AA	46,449	**	488,653
*	FID 500 Index PR	7,899	**	618,839
*	FA Freedom 2045 A	16,312	**	172,583
*	FA Freedom 2050 A	3,782	**	39,788
*	Fid US Bond Idx Pr	420	**	4,837
*	FA Freedom 2055 A	775	**	8,874
*	Fid Glb XUS Idx Pr	297	**	3,235
*	Fid Mid Cap Idx Pr	4,124	**	74,950
*	Fid Sm Cap Idx Pr	3272	**	60,085
*	FA Freedom 2060 A	35	**	362
	Ld Abt Bond Dbntr R4	48,864	**	387,493
	Opphmr Intl Growth A	14,951	**	521,639
	Drey Intl Equity A	2,323	**	74,557
	Invs Divrs Dividend A	23,398	**	451,573
	JPM Govt Bond A	3	**	36
	Harbor Cap Apprec A	6,983	**	389,869
	AF Invest Co Amer R4	9,111	**	329,299
	Victory S Sm Co Op A	3,356	**	148,021
	MFS Total Return R3	624	**	11,269
	Virtus Emrg Mkt Op A	16,721	**	146,311
	MFS Mid Cap Value R3	14,211	**	300,144
	Eagle Mid Cap Growth A	1,089	**	48,659
	Total Mutual Funds			9,597,609
	Participants' Loans*	Various Maturities 4.25% - 10.50%		128,319
	Total			$ 9,730,015

* Represents a party-in-interest to the Plan.
** Cost omitted for participant directed investments.

See Independent Auditors' Report.