

|                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                         |
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| <b>Form 5500</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security<br>Administration<br><br>Pension Benefit Guaranty Corporation | <b>Annual Return/Report of Employee Benefit Plan</b><br><br>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).<br><br><b>▶ Complete all entries in accordance with the instructions to the Form 5500.</b> | OMB Nos. 1210-0110<br>1210-0089<br><br><b>2016</b><br><br><b>This Form is Open to Public Inspection</b> |
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|                                                                                                          |                                                                                                          |                                                                                                                                                                                                                                             |                                                                                           |
|----------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| <b>Part I</b>                                                                                            | <b>Annual Report Identification Information</b>                                                          |                                                                                                                                                                                                                                             |                                                                                           |
| For calendar plan year 2016 or fiscal plan year beginning <u>01/01/2016</u> and ending <u>12/31/2016</u> |                                                                                                          |                                                                                                                                                                                                                                             |                                                                                           |
| <b>A</b>                                                                                                 | This return/report is for:                                                                               | <input type="checkbox"/> a multiemployer plan <input type="checkbox"/> a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)               |                                                                                           |
|                                                                                                          | <input checked="" type="checkbox"/> a single-employer plan <input type="checkbox"/> a DFE (specify) ____ |                                                                                                                                                                                                                                             |                                                                                           |
| <b>B</b>                                                                                                 | This return/report is:                                                                                   | <input type="checkbox"/> the first return/report<br><input type="checkbox"/> the final return/report<br><input type="checkbox"/> an amended return/report<br><input type="checkbox"/> a short plan year return/report (less than 12 months) |                                                                                           |
| <b>C</b>                                                                                                 | If the plan is a collectively-bargained plan, check here. . . . . <input type="checkbox"/>               |                                                                                                                                                                                                                                             |                                                                                           |
| <b>D</b>                                                                                                 | Check box if filing under:                                                                               | <input checked="" type="checkbox"/> Form 5558<br><input type="checkbox"/> special extension (enter description)                                                                                                                             | <input type="checkbox"/> automatic extension<br><input type="checkbox"/> the DFVC program |

|                |                                                                                                                                                                                                                                                                                                                                                                                   |           |                                                           |
|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------------------------------------------------------|
| <b>Part II</b> | <b>Basic Plan Information</b> —enter all requested information                                                                                                                                                                                                                                                                                                                    |           |                                                           |
| <b>1a</b>      | Name of plan<br><u>FIRSTSERVICE RESIDENTIAL 401(K) PLAN</u>                                                                                                                                                                                                                                                                                                                       | <b>1b</b> | Three-digit plan number (PN) ▶ <u>001</u>                 |
|                |                                                                                                                                                                                                                                                                                                                                                                                   | <b>1c</b> | Effective date of plan<br><u>01/01/1999</u>               |
| <b>2a</b>      | Plan sponsor's name (employer, if for a single-employer plan)<br>Mailing address (include room, apt., suite no. and street, or P.O. Box)<br>City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)<br><u>FIRSTSERVICE RESIDENTIAL INC.</u><br><br><u>1855 GRIFFIN ROAD</u><br><u>SUITE A-330</u><br><u>DANIA BEACH, FL 33004</u> | <b>2b</b> | Employer Identification Number (EIN)<br><u>16-1682850</u> |
|                |                                                                                                                                                                                                                                                                                                                                                                                   | <b>2c</b> | Plan Sponsor's telephone number<br><u>754-201-2596</u>    |
|                |                                                                                                                                                                                                                                                                                                                                                                                   | <b>2d</b> | Business code (see instructions)<br><u>531390</u>         |
|                |                                                                                                                                                                                                                                                                                                                                                                                   |           |                                                           |

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

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

|                                                                                                 |                                                   |            |                                                              |
|-------------------------------------------------------------------------------------------------|---------------------------------------------------|------------|--------------------------------------------------------------|
| <b>SIGN HERE</b>                                                                                | Filed with authorized/valid electronic signature. | 12/11/2017 | MELISSA KETTERER                                             |
|                                                                                                 | Signature of plan administrator                   | Date       | Enter name of individual signing as plan administrator       |
| <b>SIGN HERE</b>                                                                                |                                                   |            |                                                              |
|                                                                                                 | Signature of employer/plan sponsor                | Date       | Enter name of individual signing as employer or plan sponsor |
| <b>SIGN HERE</b>                                                                                |                                                   |            |                                                              |
|                                                                                                 | 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                                  |
|                                                                                                 |                                                   |            |                                                              |

|                                                                                                                                                                                                                   |  |                                                                                              |       |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|----------------------------------------------------------------------------------------------|-------|
| <b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor                                                                                                          |  | <b>3b</b> Administrator's EIN                                                                |       |
|                                                                                                                                                                                                                   |  | <b>3c</b> Administrator's telephone number                                                   |       |
|                                                                                                                                                                                                                   |  |                                                                                              |       |
| <b>4</b> 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:<br><b>a</b> Sponsor's name |  | <b>4b</b> EIN                                                                                |       |
|                                                                                                                                                                                                                   |  | <b>4c</b> PN                                                                                 |       |
| <b>5</b> Total number of participants at the beginning of the plan year                                                                                                                                           |  | <b>5</b>                                                                                     | 17448 |
| <b>6</b> Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines <b>6a(1)</b> , <b>6a(2)</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ).                  |  |                                                                                              |       |
| <b>a(1)</b> Total number of active participants at the beginning of the plan year.....                                                                                                                            |  | <b>6a(1)</b>                                                                                 | 16101 |
| <b>a(2)</b> Total number of active participants at the end of the plan year .....                                                                                                                                 |  | <b>6a(2)</b>                                                                                 | 21743 |
| <b>b</b> Retired or separated participants receiving benefits.....                                                                                                                                                |  | <b>6b</b>                                                                                    | 30    |
| <b>c</b> Other retired or separated participants entitled to future benefits .....                                                                                                                                |  | <b>6c</b>                                                                                    | 1558  |
| <b>d</b> Subtotal. Add lines <b>6a(2)</b> , <b>6b</b> , and <b>6c</b> .....                                                                                                                                       |  | <b>6d</b>                                                                                    | 23331 |
| <b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. ....                                                                                                        |  | <b>6e</b>                                                                                    | 28    |
| <b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> .....                                                                                                                                                           |  | <b>6f</b>                                                                                    | 23359 |
| <b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) .....                                                                   |  | <b>6g</b>                                                                                    | 5121  |
| <b>h</b> Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested .....                                                                       |  | <b>6h</b>                                                                                    | 258   |
| <b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....                                                                               |  | <b>7</b>                                                                                     |       |
| <b>8a</b> If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:<br>2F 2G 2J 2K 2T 3D 3H                              |  |                                                                                              |       |
| <b>b</b> If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:                                                       |  |                                                                                              |       |
| <b>9a</b> Plan funding arrangement (check all that apply)                                                                                                                                                         |  | <b>9b</b> Plan benefit arrangement (check all that apply)                                    |       |
| <b>(1)</b> <input type="checkbox"/> Insurance                                                                                                                                                                     |  | <b>(1)</b> <input type="checkbox"/> Insurance                                                |       |
| <b>(2)</b> <input type="checkbox"/> Code section 412(e)(3) insurance contracts                                                                                                                                    |  | <b>(2)</b> <input type="checkbox"/> Code section 412(e)(3) insurance contracts               |       |
| <b>(3)</b> <input checked="" type="checkbox"/> Trust                                                                                                                                                              |  | <b>(3)</b> <input checked="" type="checkbox"/> Trust                                         |       |
| <b>(4)</b> <input type="checkbox"/> General assets of the sponsor                                                                                                                                                 |  | <b>(4)</b> <input type="checkbox"/> General assets of the sponsor                            |       |
| <b>10</b> Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)                                                 |  |                                                                                              |       |
| <b>a Pension Schedules</b>                                                                                                                                                                                        |  | <b>b General Schedules</b>                                                                   |       |
| <b>(1)</b> <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information)                                                                                                                             |  | <b>(1)</b> <input checked="" type="checkbox"/> <b>H</b> (Financial Information)              |       |
| <b>(2)</b> <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary                                             |  | <b>(2)</b> <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan)            |       |
| <b>(3)</b> <input type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary                                                                           |  | <b>(3)</b> <input type="checkbox"/> <b>A</b> (Insurance Information)                         |       |
|                                                                                                                                                                                                                   |  | <b>(4)</b> <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information)       |       |
|                                                                                                                                                                                                                   |  | <b>(5)</b> <input checked="" type="checkbox"/> <b>D</b> (DFE/Participating Plan Information) |       |
|                                                                                                                                                                                                                   |  | <b>(6)</b> <input type="checkbox"/> <b>G</b> (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 \_\_\_\_\_

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

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

|                                                                                                       |                                                                    |
|-------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|
| <b>A</b> Name of plan<br><b>FIRSTSERVICE RESIDENTIAL 401(K) PLAN</b>                                  | <b>B</b> Three-digit plan number (PN) ▶ <b>001</b>                 |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><b>FIRSTSERVICE RESIDENTIAL INC.</b> | <b>D</b> Employer Identification Number (EIN)<br><b>16-1682850</b> |

|               |                                                        |
|---------------|--------------------------------------------------------|
| <b>Part I</b> | <b>Service Provider Information (see instructions)</b> |
|---------------|--------------------------------------------------------|

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

**1 Information on Persons Receiving Only Eligible Indirect Compensation**

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

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

|                                                                                                                   |
|-------------------------------------------------------------------------------------------------------------------|
| <b>(b)</b> Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
| <b>TRANSAMERICA RETIREMENT SOLUTIONS</b>                                                                          |

**13-3689044**

|                                                                                                                   |
|-------------------------------------------------------------------------------------------------------------------|
| <b>(b)</b> Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
| <b>CHARLES SCHWAB &amp; CO., INC.</b>                                                                             |

**94-1737782**

|                                                                                                                   |
|-------------------------------------------------------------------------------------------------------------------|
| <b>(b)</b> Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
|-------------------------------------------------------------------------------------------------------------------|

|                                                                                                                   |
|-------------------------------------------------------------------------------------------------------------------|
| <b>(b)</b> Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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

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

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

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**(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)

TRANSAMERICA RETIREMENT SOLUTIONS

13-3689044

| (b)<br>Service<br>Code(s)                       | (c)<br>Relationship to<br>employer, employee<br>organization, or<br>person known to be<br>a party-in-interest | (d)<br>Enter direct<br>compensation paid<br>by the plan. If none,<br>enter -0-. | (e)<br>Did service provider<br>receive indirect<br>compensation? (sources<br>other than plan or plan<br>sponsor) | (f)<br>Did indirect compensation<br>include eligible indirect<br>compensation, for which the<br>plan received the required<br>disclosures? | (g)<br>Enter total indirect<br>compensation received by<br>service provider excluding<br>eligible indirect<br>compensation for which you<br>answered "Yes" to element<br>(f). If none, enter -0-. | (h)<br>Did the service<br>provider give you a<br>formula instead of<br>an amount or<br>estimated amount? |
|-------------------------------------------------|---------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| 12 15 28 37<br>38 50 54 59<br>61 62 63 64<br>65 | RECORDKEEPER                                                                                                  | 219804                                                                          | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                              | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                                                        | 0                                                                                                                                                                                                 | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                      |

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

NATIONAL FINANCIAL SERVICES

04-3523567

| (b)<br>Service<br>Code(s) | (c)<br>Relationship to<br>employer, employee<br>organization, or<br>person known to be<br>a party-in-interest | (d)<br>Enter direct<br>compensation paid<br>by the plan. If none,<br>enter -0-. | (e)<br>Did service provider<br>receive indirect<br>compensation? (sources<br>other than plan or plan<br>sponsor) | (f)<br>Did indirect compensation<br>include eligible indirect<br>compensation, for which the<br>plan received the required<br>disclosures? | (g)<br>Enter total indirect<br>compensation received by<br>service provider excluding<br>eligible indirect<br>compensation for which you<br>answered "Yes" to element<br>(f). If none, enter -0-. | (h)<br>Did the service<br>provider give you a<br>formula instead of<br>an amount or<br>estimated amount? |
|---------------------------|---------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| 33 71                     | SECURITIES<br>BROKER                                                                                          | 0                                                                               | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                              | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                                                        | 0                                                                                                                                                                                                 | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                      |

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

CHARLES SCHWAB & CO., INC.

94-1737782

| (b)<br>Service<br>Code(s) | (c)<br>Relationship to<br>employer, employee<br>organization, or<br>person known to be<br>a party-in-interest | (d)<br>Enter direct<br>compensation paid<br>by the plan. If none,<br>enter -0-. | (e)<br>Did service provider<br>receive indirect<br>compensation? (sources<br>other than plan or plan<br>sponsor) | (f)<br>Did indirect compensation<br>include eligible indirect<br>compensation, for which the<br>plan received the required<br>disclosures? | (g)<br>Enter total indirect<br>compensation received by<br>service provider excluding<br>eligible indirect<br>compensation for which you<br>answered "Yes" to element<br>(f). If none, enter -0-. | (h)<br>Did the service<br>provider give you a<br>formula instead of<br>an amount or<br>estimated amount? |
|---------------------------|---------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| 33 71                     | SECURITIES<br>BROKER                                                                                          | 3858                                                                            | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                              | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                                                        | 0                                                                                                                                                                                                 | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                      |

**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)

KAUFMAN ROSSIN CO

59-1818353

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 27 28                  | INVESTMENT ADVISORY                                                                               | 7774                                                                   | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

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

LOCKTON FINANCIAL ADVISORS LLC

P.O. BOX 219153  
KANSAS CITY, MO 64121

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 27 28                  | INVESTMENT ADVISORY                                                                               | 92500                                                                  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

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

JACOBS AND ASSOCIATES, LLC

46-1151899

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 10 50                  | AUDITOR                                                                                           | 105000                                                                 | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

**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<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
|-------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
| TRANSAMERICA RETIREMENT SOLUTIONS                                             | 12 15 28 37 38 50 54 59 61 62<br>63 64 65                                                                                                                          | 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. |                                           |
| AMERICAN FUNDS<br>5300 ROBIN HOOD ROAD<br>NORFOLK, VA 23513                   | REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)                                                                                                                        |                                           |
| (a) Enter service provider name as it appears on line 2                       | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
| TRANSAMERICA RETIREMENT SOLUTIONS                                             | 12 15 28 37 38 50 54 59 61 62<br>63 64 65                                                                                                                          | 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. |                                           |
| COLUMBIA<br>245 SUMMER STREET<br>FLOOR 3<br>BOSTON, MA 02210                  | REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)                                                                                                                        |                                           |
| (a) Enter service provider name as it appears on line 2                       | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
| TRANSAMERICA RETIREMENT SOLUTIONS                                             | 12 15 28 37 38 50 54 59 61 62<br>63 64 65                                                                                                                          | 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. |                                           |
| DODGE & COX<br>555 CALIFORNIA STREET<br>40TH FLOOR<br>SAN FRANCISCO, CA 94104 | REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)                                                                                                                        |                                           |

**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<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
|---------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
| TRANSAMERICA RETIREMENT SOLUTIONS                                         | 12 15 28 37 38 50 54 59 61 62<br>63 64 65                                                                                                                          | 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. |                                           |
| GOLDMAN SACHS<br>3414 PEACHTREE ROAD NE<br>SUITE 600<br>ATLANTA, GA 30326 | REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)                                                                                                                        |                                           |
| (a) Enter service provider name as it appears on line 2                   | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
| TRANSAMERICA RETIREMENT SOLUTIONS                                         | 12 15 28 37 38 50 54 59 61 62<br>63 64 65                                                                                                                          | 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. |                                           |
| JP MORGAN<br>30 DAN ROAD<br>SUITE 500<br>CANTON, MA 02266                 | REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)                                                                                                                        |                                           |
| (a) Enter service provider name as it appears on line 2                   | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
| TRANSAMERICA RETIREMENT SOLUTIONS                                         | 12 15 28 37 38 50 54 59 61 62<br>63 64 65                                                                                                                          | 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. |                                           |
| PRINCIPAL<br>711 HIGH STREET<br>DES MOINES, IA 50309                      | REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)                                                                                                                        |                                           |

**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<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
| TRANSAMERICA RETIREMENT SOLUTIONS                                   | 12 15 28 37 38 50 54 59 61 62<br>63 64 65                                                                                                                          | 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. |                                           |
| PRUDENTIAL<br>751 BROAD STREET<br>NEWARK, NJ 07102                  | REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)                                                                                                                        |                                           |
| (a) Enter service provider name as it appears on line 2             | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
| NATIONAL FINANCIAL SERVICES                                         | 33 71                                                                                                                                                              | 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. |                                           |
| AMERICAN FUNDS<br>5300 ROBIN HOOD ROAD<br>NORFOLK, VA 23513         | REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)                                                                                                                        |                                           |
| (a) Enter service provider name as it appears on line 2             | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
| NATIONAL FINANCIAL SERVICES                                         | 33 71                                                                                                                                                              | 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. |                                           |
| COLUMBIA<br>245 SUMMER STREET<br>FLOOR 3<br>BOSTON, MA 02210        | REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)                                                                                                                        |                                           |

**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<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
|-------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
| NATIONAL FINANCIAL SERVICES                                                   | 33 71                                                                                                                                                              | 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. |                                           |
| DODGE & COX<br>555 CALIFORNIA STREET<br>40TH FLOOR<br>SAN FRANCISCO, CA 94104 | REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)                                                                                                                        |                                           |
| (a) Enter service provider name as it appears on line 2                       | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
| NATIONAL FINANCIAL SERVICES                                                   | 33 71                                                                                                                                                              | 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. |                                           |
| GOLDMAN SACHS<br>3414 PEACHTREE ROAD NE<br>SUITE 600<br>ATLANTA, GA 30326     | REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)                                                                                                                        |                                           |
| (a) Enter service provider name as it appears on line 2                       | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
| NATIONAL FINANCIAL SERVICES                                                   | 33 71                                                                                                                                                              | 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. |                                           |
| JP MORGAN<br>30 DAN ROAD<br>SUITE 500<br>CANTON, MA 02266                     | REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)                                                                                                                        |                                           |

**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<br>(see instructions)            | (c) Enter amount of indirect compensation                                                                                                                          |
|---------------------------------------------------------------------|----------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| NATIONAL FINANCIAL SERVICES                                         | 33 71                                              | 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. |
| PRINCIPAL<br>711 HIGH STREET<br>DES MOINES, IA 50309                | REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)        |                                                                                                                                                                    |
|                                                                     |                                                    |                                                                                                                                                                    |
| (a) Enter service provider name as it appears on line 2             | (b) Service Codes<br>(see instructions)            | (c) Enter amount of indirect compensation                                                                                                                          |
| NATIONAL FINANCIAL SERVICES                                         | 33 71                                              | 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. |
| PRUDENTIAL<br>751 BROAD STREET<br>NEWARK, NJ 07102                  | REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)        |                                                                                                                                                                    |
|                                                                     |                                                    |                                                                                                                                                                    |
| (a) Enter service provider name as it appears on line 2             | (b) Service Codes<br>(see instructions)            | (c) Enter amount of indirect compensation                                                                                                                          |
| CHARLES SCHWAB & CO., INC.                                          | 33 71                                              | 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. |
| ARTISAN<br>39-1811840                                               | RATE OF 0.40% OF AVERAGE DAILY BALANCE OF ASSET(S) |                                                                                                                                                                    |

**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<br>(see instructions)                                                                                                                                                                                         | (c) Enter amount of indirect compensation |
|----------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
| CHARLES SCHWAB & CO., INC.                                                 | 33 71                                                                                                                                                                                                                           | 0                                         |
| <b>(d)</b> Enter name and EIN (address) of source of indirect compensation |                                                                                                                                                                                                                                 |                                           |
| CHAMPLAIN FUNDS<br>37 FARMERSVILLE ROAD<br>CALIFON, NJ 07830               | <b>(e)</b> Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.<br>RATE OF 0.40% OF AVERAGE DAILY BALANCE OF ASSET(S) |                                           |
| <b>(a)</b> Enter service provider name as it appears on line 2             |                                                                                                                                                                                                                                 |                                           |
| CHARLES SCHWAB & CO., INC.                                                 | 33 71                                                                                                                                                                                                                           | 0                                         |
| <b>(d)</b> Enter name and EIN (address) of source of indirect compensation |                                                                                                                                                                                                                                 |                                           |
| OAKMARK<br>04-3200027                                                      | <b>(e)</b> Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.<br>RATE OF 0.35% OF AVERAGE DAILY BALANCE OF ASSET(S) |                                           |
| <b>(a)</b> Enter service provider name as it appears on line 2             |                                                                                                                                                                                                                                 |                                           |
| CHARLES SCHWAB & CO., INC.                                                 | 33 71                                                                                                                                                                                                                           | 0                                         |
| <b>(d)</b> Enter name and EIN (address) of source of indirect compensation |                                                                                                                                                                                                                                 |                                           |
| PROFUNDS<br>52-2035197                                                     | <b>(e)</b> Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.<br>RATE OF 0.40% OF AVERAGE DAILY BALANCE OF ASSET(S) |                                           |

**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<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
| CHARLES SCHWAB & CO., INC.                                          | 33 71                                                                                                                                                              | 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. |                                           |
| SCHWAB FUNDS<br><br>94-3106735                                      | RATE OF 0.25% OF AVERAGE DAILY BALANCE OF ASSET(S)                                                                                                                 |                                           |
| (a) Enter service provider name as it appears on line 2             | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
|                                                                     |                                                                                                                                                                    |                                           |
| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |                                           |
|                                                                     |                                                                                                                                                                    |                                           |
| (a) Enter service provider name as it appears on line 2             | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
|                                                                     |                                                                                                                                                                    |                                           |
| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |                                           |
|                                                                     |                                                                                                                                                                    |                                           |

**Part II Service Providers Who Fail or Refuse to Provide Information**

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

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

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

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                                                                                                                                                                                                               |                                                                                                                                                                                                                              |                                                                                                                                                                 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>SCHEDULE D</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small> | <b>DFE/Participating Plan Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br><br><b>► File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><div style="text-align: center; font-size: 1.2em; font-weight: bold;">2016</div><br><br><b>This Form is Open to Public Inspection.</b> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|

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

|                                                                                                                                         |                                                                                               |     |
|-----------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|-----|
| <b>A</b> Name of plan<br><span style="color: blue;">FIRSTSERVICE RESIDENTIAL 401(K) PLAN</span>                                         | <b>B</b> Three-digit plan number (PN) <span style="float: right;">►</span>                    | 001 |
|                                                                                                                                         |                                                                                               |     |
| <b>C</b> Plan or DFE sponsor's name as shown on line 2a of Form 5500<br><span style="color: blue;">FIRSTSERVICE RESIDENTIAL INC.</span> | <b>D</b> Employer Identification Number (EIN)<br><span style="color: blue;">16-1682850</span> |     |

|        |                                                                                                                                                                                  |
|--------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Part I | <b>Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)</b><br>(Complete as many entries as needed to report all interests in DFEs) |
|--------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: TRANSAMERICA COLLECTIVE TRUST FUNDS

**b** Name of sponsor of entity listed in (a): TRANSAMERICA RETIREMENT SOLUTIONS CORPORATION

|                                                                  |                                                          |                                                                                                                                                             |
|------------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>c</b> EIN-PN <span style="color: blue;">04-6784256-001</span> | <b>d</b> Entity code <span style="color: blue;">C</span> | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <span style="float: right; color: blue;">3494045</span> |
|------------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|

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

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

|                 |                      |                                                                                                     |
|-----------------|----------------------|-----------------------------------------------------------------------------------------------------|
| <b>c</b> EIN-PN | <b>d</b> Entity code | <b>e</b> 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):

|                 |                      |                                                                                                     |
|-----------------|----------------------|-----------------------------------------------------------------------------------------------------|
| <b>c</b> EIN-PN | <b>d</b> Entity code | <b>e</b> 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):

|                 |                      |                                                                                                     |
|-----------------|----------------------|-----------------------------------------------------------------------------------------------------|
| <b>c</b> EIN-PN | <b>d</b> Entity code | <b>e</b> 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):

|                 |                      |                                                                                                     |
|-----------------|----------------------|-----------------------------------------------------------------------------------------------------|
| <b>c</b> EIN-PN | <b>d</b> Entity code | <b>e</b> 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):

|                 |                      |                                                                                                     |
|-----------------|----------------------|-----------------------------------------------------------------------------------------------------|
| <b>c</b> EIN-PN | <b>d</b> Entity code | <b>e</b> 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):

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

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

**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

|                                                                                                                                                                                 |                                                                                                                                                                                                                                                                      |                                               |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|
| <b>SCHEDULE H</b><br><b>(Form 5500)</b><br>Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | <b>Financial Information</b><br>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).<br><b>► File as an attachment to Form 5500.</b> | OMB No. 1210-0110                             |
|                                                                                                                                                                                 |                                                                                                                                                                                                                                                                      | <b>2016</b>                                   |
|                                                                                                                                                                                 |                                                                                                                                                                                                                                                                      | <b>This Form is Open to Public Inspection</b> |

|                                                                                                          |                                                                    |            |
|----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|------------|
| For calendar plan year 2016 or fiscal plan year beginning <b>01/01/2016</b> and ending <b>12/31/2016</b> |                                                                    |            |
| <b>A</b> Name of plan<br><b>FIRSTSERVICE RESIDENTIAL 401(K) PLAN</b>                                     | <b>B</b> Three-digit plan number (PN) ►                            | <b>001</b> |
|                                                                                                          |                                                                    |            |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><b>FIRSTSERVICE RESIDENTIAL INC.</b>    | <b>D</b> Employer Identification Number (EIN)<br><b>16-1682850</b> |            |

|               |                                      |
|---------------|--------------------------------------|
| <b>Part I</b> | <b>Asset and Liability Statement</b> |
|---------------|--------------------------------------|

**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 |
|---------------------------------------------------------------------------------------------------|-----------------|-----------------------|-----------------|
| <b>a</b> Total noninterest-bearing cash .....                                                     | <b>1a</b>       |                       |                 |
| <b>b</b> Receivables (less allowance for doubtful accounts):                                      |                 |                       |                 |
| <b>(1)</b> Employer contributions.....                                                            | <b>1b(1)</b>    |                       |                 |
| <b>(2)</b> Participant contributions .....                                                        | <b>1b(2)</b>    |                       |                 |
| <b>(3)</b> Other.....                                                                             | <b>1b(3)</b>    | 5790                  | 4144            |
| <b>c</b> General investments:                                                                     |                 |                       |                 |
| <b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit).....   | <b>1c(1)</b>    | 194803                | 55713           |
| <b>(2)</b> U.S. Government securities .....                                                       | <b>1c(2)</b>    |                       |                 |
| <b>(3)</b> Corporate debt instruments (other than employer securities):                           |                 |                       |                 |
| <b>(A)</b> Preferred .....                                                                        | <b>1c(3)(A)</b> |                       |                 |
| <b>(B)</b> All other.....                                                                         | <b>1c(3)(B)</b> |                       |                 |
| <b>(4)</b> Corporate stocks (other than employer securities):                                     |                 |                       |                 |
| <b>(A)</b> Preferred .....                                                                        | <b>1c(4)(A)</b> |                       |                 |
| <b>(B)</b> Common.....                                                                            | <b>1c(4)(B)</b> |                       |                 |
| <b>(5)</b> Partnership/joint venture interests .....                                              | <b>1c(5)</b>    |                       |                 |
| <b>(6)</b> Real estate (other than employer real property).....                                   | <b>1c(6)</b>    |                       |                 |
| <b>(7)</b> Loans (other than to participants) .....                                               | <b>1c(7)</b>    |                       |                 |
| <b>(8)</b> Participant loans.....                                                                 | <b>1c(8)</b>    | 5007701               | 4669770         |
| <b>(9)</b> Value of interest in common/collective trusts .....                                    | <b>1c(9)</b>    | 2873611               | 3494045         |
| <b>(10)</b> Value of interest in pooled separate accounts .....                                   | <b>1c(10)</b>   |                       |                 |
| <b>(11)</b> Value of interest in master trust investment accounts .....                           | <b>1c(11)</b>   |                       |                 |
| <b>(12)</b> Value of interest in 103-12 investment entities.....                                  | <b>1c(12)</b>   |                       |                 |
| <b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds).....        | <b>1c(13)</b>   | 98126648              | 108565848       |
| <b>(14)</b> Value of funds held in insurance company general account (unallocated contracts)..... | <b>1c(14)</b>   |                       |                 |
| <b>(15)</b> Other.....                                                                            | <b>1c(15)</b>   | 973655                | 328435          |

|                    |                                                                  | (a) Beginning of Year | (b) End of Year     |
|--------------------|------------------------------------------------------------------|-----------------------|---------------------|
| <b>1d</b>          | Employer-related investments:                                    |                       |                     |
| (1)                | Employer securities .....                                        | <b>1d(1)</b>          |                     |
| (2)                | Employer real property .....                                     | <b>1d(2)</b>          |                     |
| <b>e</b>           | Buildings and other property used in plan operation .....        | <b>1e</b>             |                     |
| <b>f</b>           | Total assets (add all amounts in lines 1a through 1e) .....      | <b>1f</b>             | 107182208 117117955 |
| <b>Liabilities</b> |                                                                  |                       |                     |
| <b>g</b>           | Benefit claims payable .....                                     | <b>1g</b>             |                     |
| <b>h</b>           | Operating payables .....                                         | <b>1h</b>             |                     |
| <b>i</b>           | Acquisition indebtedness .....                                   | <b>1i</b>             |                     |
| <b>j</b>           | Other liabilities .....                                          | <b>1j</b>             |                     |
| <b>k</b>           | Total liabilities (add all amounts in lines 1g through 1j) ..... | <b>1k</b>             |                     |
| <b>Net Assets</b>  |                                                                  |                       |                     |
| <b>l</b>           | Net assets (subtract line 1k from line 1f) .....                 | <b>1l</b>             | 107182208 117117955 |

**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.

|          |                                                                                                        | (a) Amount      | (b) Total |
|----------|--------------------------------------------------------------------------------------------------------|-----------------|-----------|
| <b>a</b> | <b>Contributions:</b>                                                                                  |                 |           |
| (1)      | Received or receivable in cash from: <b>(A)</b> Employers .....                                        | <b>2a(1)(A)</b> | 3400322   |
|          | <b>(B)</b> Participants .....                                                                          | <b>2a(1)(B)</b> | 12879743  |
|          | <b>(C)</b> Others (including rollovers) .....                                                          | <b>2a(1)(C)</b> | 1689411   |
| (2)      | Noncash contributions .....                                                                            | <b>2a(2)</b>    |           |
| (3)      | Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> ..... | <b>2a(3)</b>    | 17969476  |
| <b>b</b> | <b>Earnings on investments:</b>                                                                        |                 |           |
| (1)      | Interest:                                                                                              |                 |           |
|          | <b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit) .....   | <b>2b(1)(A)</b> |           |
|          | <b>(B)</b> U.S. Government securities .....                                                            | <b>2b(1)(B)</b> |           |
|          | <b>(C)</b> Corporate debt instruments .....                                                            | <b>2b(1)(C)</b> |           |
|          | <b>(D)</b> Loans (other than to participants) .....                                                    | <b>2b(1)(D)</b> |           |
|          | <b>(E)</b> Participant loans .....                                                                     | <b>2b(1)(E)</b> | 210021    |
|          | <b>(F)</b> Other .....                                                                                 | <b>2b(1)(F)</b> |           |
|          | <b>(G)</b> Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....                          | <b>2b(1)(G)</b> | 210021    |
| (2)      | Dividends: <b>(A)</b> Preferred stock .....                                                            | <b>2b(2)(A)</b> |           |
|          | <b>(B)</b> Common stock .....                                                                          | <b>2b(2)(B)</b> |           |
|          | <b>(C)</b> Registered investment company shares (e.g. mutual funds) .....                              | <b>2b(2)(C)</b> | 1774623   |
|          | <b>(D)</b> Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> .....              | <b>2b(2)(D)</b> | 1774623   |
| (3)      | Rents .....                                                                                            | <b>2b(3)</b>    |           |
| (4)      | Net gain (loss) on sale of assets: <b>(A)</b> Aggregate proceeds .....                                 | <b>2b(4)(A)</b> |           |
|          | <b>(B)</b> Aggregate carrying amount (see instructions) .....                                          | <b>2b(4)(B)</b> |           |
|          | <b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result .....              | <b>2b(4)(C)</b> |           |
| (5)      | Unrealized appreciation (depreciation) of assets: <b>(A)</b> Real estate .....                         | <b>2b(5)(A)</b> |           |
|          | <b>(B)</b> Other .....                                                                                 | <b>2b(5)(B)</b> |           |
|          | <b>(C)</b> Total unrealized appreciation of assets. Add lines <b>2b(5)(A)</b> and <b>(B)</b> .....     | <b>2b(5)(C)</b> |           |

|                                                                                                |        | (a) Amount | (b) Total |
|------------------------------------------------------------------------------------------------|--------|------------|-----------|
| (6) Net investment gain (loss) from common/collective trusts .....                             | 2b(6)  |            | 158511    |
| (7) Net investment gain (loss) from pooled separate accounts .....                             | 2b(7)  |            |           |
| (8) Net investment gain (loss) from master trust investment accounts .....                     | 2b(8)  |            |           |
| (9) Net investment gain (loss) from 103-12 investment entities .....                           | 2b(9)  |            |           |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)..... | 2b(10) |            | 4991530   |
| c Other income.....                                                                            | 2c     |            | 11778     |
| d Total income. Add all <b>income</b> amounts in column (b) and enter total.....               | 2d     |            | 25115939  |

**Expenses**

|                                                                                      |       |          |          |
|--------------------------------------------------------------------------------------|-------|----------|----------|
| e Benefit payment and payments to provide benefits:                                  |       |          |          |
| (1) Directly to participants or beneficiaries, including direct rollovers .....      | 2e(1) | 14320636 |          |
| (2) To insurance carriers for the provision of benefits .....                        | 2e(2) |          |          |
| (3) Other .....                                                                      | 2e(3) |          |          |
| (4) Total benefit payments. Add lines 2e(1) through (3).....                         | 2e(4) |          | 14320636 |
| f Corrective distributions (see instructions) .....                                  | 2f    |          | 391560   |
| g Certain deemed distributions of participant loans (see instructions) .....         | 2g    |          | 42918    |
| h Interest expense.....                                                              | 2h    |          |          |
| i Administrative expenses: (1) Professional fees.....                                | 2i(1) | 105000   |          |
| (2) Contract administrator fees.....                                                 | 2i(2) |          |          |
| (3) Investment advisory and management fees.....                                     | 2i(3) | 100274   |          |
| (4) Other .....                                                                      | 2i(4) | 219804   |          |
| (5) Total administrative expenses. Add lines 2i(1) through (4).....                  | 2i(5) |          | 425078   |
| j Total expenses. Add all <b>expense</b> amounts in column (b) and enter total ..... | 2j    |          | 15180192 |

**Net Income and Reconciliation**

|                                                          |       |  |         |
|----------------------------------------------------------|-------|--|---------|
| k Net income (loss). Subtract line 2j from line 2d ..... | 2k    |  | 9935747 |
| l Transfers of assets:                                   |       |  |         |
| (1) To this plan.....                                    | 2l(1) |  |         |
| (2) From this plan.....                                  | 2l(2) |  |         |

**Part III Accountant's Opinion**

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

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

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

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

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

(1) Name: JACOBS & ASSOCIATES, LLC

(2) EIN: 46-1151899

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

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

**Part IV Compliance Questions**

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

During the plan year:

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

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

|    | Yes | No | Amount  |
|----|-----|----|---------|
| 4a | X   |    | 2089470 |
| 4b |     | X  |         |

|                                                                                                                                                                                                                               |           | Yes | No | Amount |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----|----|--------|
| <b>c</b> 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.) .....                                          | <b>4c</b> |     | X  |        |
| <b>d</b> 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.) .....                               | <b>4d</b> |     | X  |        |
| <b>e</b> Was this plan covered by a fidelity bond? .....                                                                                                                                                                      | <b>4e</b> | X   |    | 500000 |
| <b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? .....                                                                                       | <b>4f</b> |     | X  |        |
| <b>g</b> 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? .....                                                    | <b>4g</b> |     | X  |        |
| <b>h</b> 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? .....                                          | <b>4h</b> |     | X  |        |
| <b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) .....                                                                | <b>4i</b> | X   |    |        |
| <b>j</b> 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.) ..... | <b>4j</b> |     | X  |        |
| <b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? .....                                                           | <b>4k</b> |     | X  |        |
| <b>l</b> Has the plan failed to provide any benefit when due under the plan? .....                                                                                                                                            | <b>4l</b> |     | X  |        |
| <b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) .....                                                                                                  | <b>4m</b> |     | X  |        |
| <b>n</b> 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. ....                                      | <b>4n</b> |     | X  |        |
| <b>o</b> Defined Benefit Plan or Money Purchase Pension Plan Only:<br>Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service? .....                           | <b>4o</b> |     |    |        |

**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

|                                        |                                                     |
|----------------------------------------|-----------------------------------------------------|
| <b>6a</b> Name of trust                | <b>6b</b> Trust's EIN                               |
| <b>6c</b> Name of trustee or custodian | <b>6d</b> Trustee's or custodian's telephone number |

|                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                             |                                                                                            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|
| <b>SCHEDULE R</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Retirement Plan Information</b><br><br>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).<br><br>▶ <b>File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><b>2016</b><br><br><b>This Form is Open to Public Inspection.</b> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|

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

|                                                                                                       |                                                                    |
|-------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|
| <b>A</b> Name of plan<br><u>FIRSTSERVICE RESIDENTIAL 401(K) PLAN</u>                                  | <b>B</b> Three-digit plan number (PN) ▶<br><u>001</u>              |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>FIRSTSERVICE RESIDENTIAL INC.</u> | <b>D</b> Employer Identification Number (EIN)<br><u>16-1682850</u> |

|               |                      |
|---------------|----------------------|
| <b>Part I</b> | <b>Distributions</b> |
|---------------|----------------------|

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

|                                                                                                                                                                                                                                                                    |          |            |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|------------|
| <b>1</b> Total value of distributions paid in property other than in cash or the forms of property specified in the instructions .....                                                                                                                             | <b>1</b> | <u>0</u>   |
| <b>2</b> 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):<br><br>EIN(s): <u>13-3689044</u> |          |            |
| <b>Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.</b>                                                                                                                                                                                            |          |            |
| <b>3</b> Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year .....                                                                                                                                   | <b>3</b> | <u>481</u> |

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

|                                                                                                                                                                                                                                                                                                                                                                           |                              |                             |                              |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------------|------------------------------|
| <b>4</b> Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? .....                                                                                                                                                                                                                                                      | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| <b>If the plan is a defined benefit plan, go to line 8.</b>                                                                                                                                                                                                                                                                                                               |                              |                             |                              |
| <b>5</b> 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. <b>Date:</b> Month _____ Day _____ Year _____<br><b>If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.</b> |                              |                             |                              |
| <b>6 a</b> Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) .....                                                                                                                                                                                                                            | <b>6a</b>                    |                             |                              |
| <b>b</b> Enter the amount contributed by the employer to the plan for this plan year .....                                                                                                                                                                                                                                                                                | <b>6b</b>                    |                             |                              |
| <b>c</b> 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) .....                                                                                                                                                                                                                          | <b>6c</b>                    |                             |                              |
| <b>If you completed line 6c, skip lines 8 and 9.</b>                                                                                                                                                                                                                                                                                                                      |                              |                             |                              |
| <b>7</b> Will the minimum funding amount reported on line 6c be met by the funding deadline? .....                                                                                                                                                                                                                                                                        | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| <b>8</b> 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? .....                                                                                               | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |

|                 |                   |
|-----------------|-------------------|
| <b>Part III</b> | <b>Amendments</b> |
|-----------------|-------------------|

|                                                                                                                                                                                                                            |                                   |                                   |                               |                             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-------------------------------|-----------------------------|
| <b>9</b> 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..... | <input type="checkbox"/> Increase | <input type="checkbox"/> Decrease | <input type="checkbox"/> Both | <input type="checkbox"/> No |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-------------------------------|-----------------------------|

|                |                                                                                                                                                   |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part IV</b> | <b>ESOPs</b> (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. |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                              |                              |                             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------------|
| <b>10</b> Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? .....                                                      | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>11 a</b> Does the ESOP hold any preferred stock? .....                                                                                                                                    | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>b</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.) ..... | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>12</b> Does the ESOP hold any stock that is not readily tradable on an established securities market? .....                                                                               | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

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

Schedule R (Form 5500) 2016  
v. 160205

**Part V Additional Information for Multiemployer Defined Benefit Pension Plans**

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

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

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

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

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

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

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

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

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

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

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

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

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

|           |                                                                                                                                                                                                                                                      |            |  |
|-----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--|
| <b>14</b> | Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:                                                                                                                    |            |  |
|           | <b>a</b> The current year .....                                                                                                                                                                                                                      | <b>14a</b> |  |
|           | <b>b</b> The plan year immediately preceding the current plan year .....                                                                                                                                                                             | <b>14b</b> |  |
|           | <b>c</b> The second preceding plan year .....                                                                                                                                                                                                        | <b>14c</b> |  |
| <b>15</b> | 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:                                                                         |            |  |
|           | <b>a</b> The corresponding number for the plan year immediately preceding the current plan year .....                                                                                                                                                | <b>15a</b> |  |
|           | <b>b</b> The corresponding number for the second preceding plan year .....                                                                                                                                                                           | <b>15b</b> |  |
| <b>16</b> | Information with respect to any employers who withdrew from the plan during the preceding plan year:                                                                                                                                                 |            |  |
|           | <b>a</b> Enter the number of employers who withdrew during the preceding plan year .....                                                                                                                                                             | <b>16a</b> |  |
|           | <b>b</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 .....                                                                               | <b>16b</b> |  |
| <b>17</b> | 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. .... <input type="checkbox"/> |            |  |

|                |                                                                                                   |
|----------------|---------------------------------------------------------------------------------------------------|
| <b>Part VI</b> | <b>Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans</b> |
|----------------|---------------------------------------------------------------------------------------------------|

|           |                                                                                                                                                                                                                                                                                                                                                                                                      |                          |
|-----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| <b>18</b> | 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 .....                         | <input type="checkbox"/> |
| <b>19</b> | If the total number of participants is 1,000 or more, complete lines (a) through (c)                                                                                                                                                                                                                                                                                                                 |                          |
|           | <b>a</b> Enter the percentage of plan assets held as:<br>Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%                                                                                                                                                                                                                                       |                          |
|           | <b>b</b> Provide the average duration of the combined investment-grade and high-yield debt:<br><input type="checkbox"/> 0-3 years <input type="checkbox"/> 3-6 years <input type="checkbox"/> 6-9 years <input type="checkbox"/> 9-12 years <input type="checkbox"/> 12-15 years <input type="checkbox"/> 15-18 years <input type="checkbox"/> 18-21 years <input type="checkbox"/> 21 years or more |                          |
|           | <b>c</b> What duration measure was used to calculate line 19(b)?<br><input type="checkbox"/> Effective duration <input type="checkbox"/> Macaulay duration <input type="checkbox"/> Modified duration <input type="checkbox"/> Other (specify): _____                                                                                                                                                |                          |

|                 |                                 |
|-----------------|---------------------------------|
| <b>Part VII</b> | <b>IRS Compliance Questions</b> |
|-----------------|---------------------------------|

|                                                                                                                                                                                                                                   |                                                                                                                                                                                   |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>20a</b> Is the plan a 401(k) plan? If "No," skip b .....                                                                                                                                                                       | <input type="checkbox"/> Yes <input type="checkbox"/> No                                                                                                                          |
| <b>20b</b> How did the plan satisfy the nondiscrimination requirements for employee deferrals under section 401(k)(3) for the plan year? Check all that apply: .....                                                              | <input type="checkbox"/> Design-based safe harbor <input type="checkbox"/> "Prior year" ADP test<br><input type="checkbox"/> "Current year" ADP test <input type="checkbox"/> N/A |
| <b>21a</b> What testing method was used to satisfy the coverage requirements under section 410(b) for the plan year? Check all that apply: .....                                                                                  | <input type="checkbox"/> Ratio percentage test <input type="checkbox"/> Average benefit test <input type="checkbox"/> N/A                                                         |
| <b>21b</b> 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? .....       | <input type="checkbox"/> Yes <input type="checkbox"/> No                                                                                                                          |
| <b>22a</b> 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 ..... |                                                                                                                                                                                   |
| <b>22b</b> 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      /      /      .                                  |                                                                                                                                                                                   |

**FIRSTSERVICE RESIDENTIAL 401(k) PLAN**

**FINANCIAL STATEMENTS,  
SUPPLEMENTAL SCHEDULES  
AND INDEPENDENT AUDITORS' REPORT**

**December 31, 2016 and 2015**

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\* Other schedules required by Section 2520.103-10 of the Department of Labor Rules and Regulations for Reporting and Disclosure under ERISA have been omitted because they are not applicable.



**Jacobs and Associates, LLC**  
*Certified Public Accountants*

## **Independent Auditors' Report**

FirstService Residential, Inc.

### **Report on the Financial Statements**

We were engaged to audit the accompanying financial statements of FirstService Residential 401(k) Plan (the "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**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on 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, the trustee of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the trustee as of and for the year ended December 31, 2016, that the information provided to the Plan administrator by the trustee is complete and accurate.

### **Disclaimer of Opinion**

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

### **Other Matter – Supplemental Schedules**

The 2016 supplemental schedules of delinquent participant contributions and assets held for investment purposes as of and for the year ended December 31, 2016, are required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedules referred to above.

(Continued)

**Report on Form and Content in Compliance With DOL Rules and Regulations**

The form and content of the information included in the 2016 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.

*Jacobs and Associates, LLC*

Bala Cynwyd, Pennsylvania  
November 26, 2017

FirstService Residential 401(k) Plan

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31,

| <u>ASSETS</u>                                                | <u>2016</u>           | <u>2015</u>           |
|--------------------------------------------------------------|-----------------------|-----------------------|
| Investments at fair value (notes 3 and 7):                   |                       |                       |
| Mutual funds and stock                                       | \$ 108,949,996        | \$ 99,295,106         |
| Common collective trust                                      | <u>3,494,045</u>      | <u>2,873,611</u>      |
| Total investments                                            | 112,444,041           | 102,168,717           |
| Receivables:                                                 |                       |                       |
| Participant contributions                                    | 189,485               | 412,525               |
| Employer contributions                                       | 50,527                | 115,516               |
| Qualified non-employee contributions                         | 60,138                | -                     |
| Accrued interest receivable participant loans                | 4,144                 | 5,790                 |
| Notes receivable from participants                           | <u>4,797,724</u>      | <u>5,139,379</u>      |
| Total receivables                                            | <u>5,102,018</u>      | <u>5,673,210</u>      |
| Total Assets                                                 | \$ <u>117,546,059</u> | \$ <u>107,841,927</u> |
| <br><u>LIABILITIES AND NET ASSETS AVAILABLE FOR BENEFITS</u> |                       |                       |
| Corrective distributions payable                             | \$ 641,860            | \$ 391,560            |
| Accrued expenses                                             | <u>-</u>              | <u>30,000</u>         |
| Total Liabilities                                            | <u>641,860</u>        | <u>421,560</u>        |
| Net assets available for benefits                            | \$ <u>116,904,199</u> | \$ <u>107,420,367</u> |

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

FirstService Residential 401(k) Plan

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE  
FOR BENEFITS

Year ended December 31, 2016

Additions:

Additions to net assets attributed to:

Investment income:

|                                               |                  |
|-----------------------------------------------|------------------|
| Net appreciation in fair value of investments | \$ 5,003,308     |
| Net appreciation in common collective trust   | 158,511          |
| Dividends                                     | <u>1,774,623</u> |
|                                               | 6,936,442        |

|                                                       |         |
|-------------------------------------------------------|---------|
| Interest income on notes receivable from participants | 210,021 |
|-------------------------------------------------------|---------|

Contributions and rollovers:

|                                      |                   |
|--------------------------------------|-------------------|
| Participants contributions           | 12,656,733        |
| Employer contributions               | 3,335,232         |
| Qualified non-employee contributions | 60,138            |
| Rollovers                            | <u>1,689,412</u>  |
|                                      | <u>17,741,515</u> |

|                 |                   |
|-----------------|-------------------|
| Total additions | <u>24,887,978</u> |
|-----------------|-------------------|

Deductions:

Deductions from net assets attributed to:

|                                          |                |
|------------------------------------------|----------------|
| Distributions to participants            | 14,320,636     |
| Deemed distribution of participant loans | 46,572         |
| Corrective distributions to participants | 641,860        |
| Administrative expenses                  | <u>395,078</u> |

|                  |                   |
|------------------|-------------------|
| Total deductions | <u>15,404,146</u> |
|------------------|-------------------|

|              |           |
|--------------|-----------|
| Net increase | 9,483,832 |
|--------------|-----------|

Net assets available for benefits:

|                   |                    |
|-------------------|--------------------|
| Beginning of year | <u>107,420,367</u> |
|-------------------|--------------------|

|             |                       |
|-------------|-----------------------|
| End of year | <u>\$ 116,904,199</u> |
|-------------|-----------------------|

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

FirstService Residential 401(k) Plan

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

**1. General Description of the Plan:**

The following description of the FirstService Residential 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

**General:**

The Plan is a defined contribution plan covering substantially all full-time employees of FirstService Residential, Inc., (the "Company") and commenced January 1, 1999. All employees, as defined by the Plan, who are at least 21 years old and who have completed three months of service are eligible to participate in the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

**Administration of the Plan:**

The Plan has retained Transamerica Retirement Solutions Corporation ("Transamerica") to provide participant level record keeping functions. Transamerica was formerly known as Diversified Retirement Corporation. State Street Bank and Trust Company ("State Street"), a trustee of the Plan, is the custodian of certain plan assets. The Plan is administered by the Company, and is responsible for all matters connected with the day-to-day operation of the Plan. The Plan's Retirement Committee is responsible for oversight of the Plan, determines the appropriateness of Plan investment offerings and monitors investment performance.

**Contributions:**

Each year, participants may contribute up to 75% of their pretax annual compensation, as defined by the Plan, up to the statutory maximum established by the Internal Revenue Service. Participants who have attained age 50 before the end of the plan year are eligible to make catch-up contributions. With the consent of the Administrator, participants may transfer amounts from other qualified plans or non-conduit IRA's as rollover contributions. The Company's matching contributions are discretionary subject to non-discrimination testing for the years ended December 31, 2016 and 2015. The Company contributed 40 percent of the first 6 percent of eligible compensation, as defined for both years. The total Company matching contributions amounted to \$3,335,232 and \$3,358,599 for the years ended December 31, 2016 and 2015, respectively. Corrective Contributions for lost earnings on late payments and Qualified Non-Elective Contributions totaled \$3,124 and \$23,205 for the years ended December 31, 2016 and 2015, respectively.

(Continued)

FirstService Residential 401(k) Plan

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2016

**1. General Description of the Plan (Continued):**

**Participant accounts:**

Each participant's account is credited with participant and employer discretionary matching contributions as well as earnings from participant directed investments, net of administrative expenses. Allocations are based on participant earnings or account balances, as defined. Certain operating expenses are allocated based upon specific participant transactions, as defined. Contributions are deposited on a payroll to payroll basis and are allocated on a payroll to payroll basis to the investment options self-directed by the participant. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested balance in their respective account.

**Vesting:**

Participants are vested immediately in their contributions plus actual earnings thereon. Effective January 1, 2016, the Plan was amended to adopt a 3-year cliff vesting schedule. Participants with 3 or more years of service as of January 1, 2016 shall be 100% vested in all accrued and future employer contributions.

Prior to January 1, 2016, participants were fully vested in the Company's discretionary contribution portion of their accounts after 6 years of continuous service, unless a participant meeting certain conditions in one of the plans that merged into the Plan as follows:

**Merit** – If participant had one year of service as of November 1, 2012, company contributions vest over a three-year graded vesting schedule.

**Excellence** – Prior plan followed a 3-year cliff vesting schedule. Participants with 3 or more years of service as of January 1, 2013 shall be 100% vested in all accrued and future employer contributions.

**Wentworth Property Management Corp 401(k) Savings Plan**

The vesting schedule under the merged plan was a 4 year graded vesting schedule. Active participants in this plan as of February 1, 2013 will continue to follow this 4-year graded vesting schedule for all accrued and future employer contributions.

**Wentworth National 401(k) Plan** – Active participants in the Wentworth National 401(k) Plan as of February 1, 2013 shall be 100% vested in all accrued and future contributions.

(Continued)

FirstService Residential 401(k) Plan

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2016

**1. General Description of the Plan (Continued):**

**Self-Directed Investment Options**

The assets of the Plan, both employee and employer contributions, are allocated to various available investment options at the direction of the participant. Investment options include various mutual funds, a common collective trust and brokerage account investments.

**Notes Receivable from Participants**

Participants may borrow from their fund account a minimum of \$500 up to a maximum equal to the lesser of 50% of the participant's vested account balance or \$50,000. The notes are secured by the balance in the participant's account and bear interest at a rate of Prime plus 1 percent. Principal and interest are paid ratably through payroll deductions over a period up to 60 months, or up to 360 months if notes are to purchase a primary residence. Effective January 1, 2017 the Plan's note policy was amended. Notes for the purchases of a principal residence will no longer allow a 360-month repayment term. Participants will be limited to one outstanding note. There were 13,612 notes outstanding at December 31, 2016 with maturities extending to 2021. The outstanding note balance were \$4,797,724 and \$5,139,379 as of December 31, 2016 and 2015, respectively. Interest rates on participant notes ranged from 4.25% to 10.25%.

**Payment of benefits:**

On termination of service due to death, disability or retirement a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account or monthly, quarterly or annual installments over a period not to exceed the participant's life expectancy. If a participant, under age 62, has a vested account balance greater than \$1,000, but such balance is \$5,000 or less as of the date of death, disability, retirement or termination of employment, and the participant has failed to make a distribution election within 45 days, the participant's vested interest in his or her account will be automatically rolled over into an IRA. Also, if the participant's vested account balance is \$1,000 or less, and a timely distribution or rollover election is not made, the participant's vested account balance will be paid directly to the participant by check as a mandatory distribution. For termination of services for other reasons, a participant may receive the value of the vested interest in his or her account as a lump sum distribution.

The Plan provides that under certain conditions, participants may withdraw their vested benefit. A participant is entitled to receive the vested portion of their account in a lump sum distribution, or in monthly installments in the event of serious financial hardship or upon reaching age 59 ½ as an active employee.

(Continued)

FirstService Residential 401(k) Plan

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2016

**1. General Description of the Plan (Continued):**

**Forfeited accounts:**

At December 31, 2016 and 2015, forfeited non-vested accounts totaled \$13,874 and \$164,307, respectively. These accounts will be used to reduce future contributions or pay Plan administrative expenses. During the 2016 plan year, employer contributions were reduced by \$149,084 from forfeited non-vested accounts. In addition, \$198,646 of current year and accrued prior year Plan administrative expenses were paid from forfeited non-vested accounts.

**Expense Budget Account**

An allocation of approximately .10% of plan earnings is deposited into the Expense Budget Account ("EBA"). The amount allocated to each participant is based on earnings and the revenue sharing percentage of the funds selected. For the year ended December 31, 2016 participants received credits totaling \$105,501. Investment advisory services paid by the Plan are disbursed from this account. Funds from this account may not be utilized to offset employer contributions. At December 31, 2016 and 2015 the balance in the EBA was \$41,839 and \$28,838, respectively. Current year investment advisory expenses totaling \$92,500 were paid from the EBA for the year ending December 31, 2016.

**2. Significant Accounting Policies:**

The significant accounting policies employed in the preparation of the accompanying financial statements are as follows:

**Basis of Accounting:**

These financial statements of the Plan are prepared on the accrual method of accounting except for benefit payments which are recorded when paid.

**Use of estimates:**

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosures of contingent assets and liabilities. Actual results could differ from those estimates.

**Benefit payments**

Benefit payments are recorded when paid.

(Continued)

FirstService Residential 401(k) Plan

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2016

**2. Significant Accounting Policies (Continued):**

**Valuation of investments:**

Investment contracts held by a defined contribution plan are reported at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. However, contract value is the relevant measurement attribute for fully benefit responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. The Statement of Net Assets Available for Benefits presents the Common Collective Trust at fair value. See note 7 for discussion for discussion of fair value measurements.

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

The Plan's Retirement Committee determines the Plan's valuation policies utilizing information provided by the investment advisers, custodians and insurance company. See Note 7 for discussion of fair value measurements. Cash accounts consist of forfeiture funds and EBA account balances.

**Excess Contributions**

Amounts payable to participants for contributions in excess of amounts allowed by the IRS are recorded as a liability with a corresponding expense to corrective distributions in the year incurred. Excess contributions are refunded to participants in the following year.

**Notes Receivable From Participants**

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed as incurred. No allowance for credit losses has been recorded as of December 31, 2016 or 2015.

**Concentrations**

All of the Plan's investment assets are held by its trustee, State Street, located in North Quincy, Massachusetts.

(Continued)

FirstService Residential 401(k) Plan

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2016

**2. Significant Accounting Policies (Continued):**

**Expenses**

Certain administrative functions are performed by the employees of the Company. None of these employees receive compensation from the Plan. Certain administrative expenses, such as legal fees, are paid directly by the Company. Plan management fees, audit fees, investment advisory fees and record keeping services, are paid by the plan and allocated to participants based on their pro-rata share of assets or from forfeiture funds. Expenses paid by the EBA account are allocated based on the participant's pro-rata share of the EBA account. Expenses directly related to a participant such as processing loans and distributions plus the related postage are charged directly to the participant.

**3. Investments**

The information related to investments disclosed in the accompanying financial statements and supplemental schedules, including investments held at December 31, 2016 and 2015, and appreciation (depreciation) in fair value of investments and dividends for the year ended December 31, 2016, was obtained or derived from data from the information supplied to the plan administrator that has been prepared and certified as complete and accurate by the Plan's trustee State Street Bank and Trust.

**4. Related Party and Party in Interest Transactions**

Certain Plan investments are shares of mutual funds managed by State Street Bank and Trust who is the Trustee of the Plan and, therefore, these transactions qualify as party in interest transactions. Participant level record keeping functions were performed by Transamerica Retirement Solutions ("formerly Diversified Retirement Corporation") Therefore, Transamerica Retirement Solutions is also a party in interest.

**5. 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 value 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.

FirstService Residential 401(k) Plan

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2016

**6. Tax Status of the Plan**

The IRS has determined and informed the company by letter dated March 31, 2014 that the Plan and the related trust are designed in accordance with the applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the opinion letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed, and is currently being operated in compliance with the applicable requirements of the IRC other than being delinquent in filing the Plan's tax returns with the Internal Revenue Service for 2013 and 2014, for which the plan is subject to fines and penalties. The Plan does not believe that the late-filing will materially impact the Plan's exemption, financial position or results of operations.

The Plan assesses its tax position in accordance with "*Accounting for Uncertainties in Income Taxes*" as prescribed by the "*Accounting Standards Codification*" which provides guidance for financial statement recognition and measurement of uncertain tax positions taken in a tax return for open years that remain subject to examination by the Plan's major tax jurisdictions. Generally, the Plan is no longer subject to income tax examinations by major tax authorities for years before 2013. The Plan believes that it does not have any significant uncertain tax positions requiring recognition or measurement in the accompanying financial statements.

**7. Fair Value Measurements**

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

***Level 1 Fair Value Measurements***

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.

(Continued)

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2016

**7. Fair Value Measurements (Continued)**

***Level 2 Fair Value Measurements***

Inputs to the valuation methodology include, a) quoted prices for similar assets or liabilities in active markets, b) quoted prices for identical or similar assets or liabilities in inactive markets, c) inputs other than quoted prices that are observable for the asset or liability and, d) 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 Fair Value Measurements***

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

The asset 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 maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

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

***Mutual Funds:*** Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-ended mutual funds that are registered with the SEC. These funds are required to publish their daily net asset value (NAV) and to transact at that price. Mutual funds held by the Plan are deemed to be actively traded.

***Common Collective Trust:*** The fair value of the Plan's interest in the common collective trust is based on quoted market values of the underlying assets. Because the participants transact at contract value, fair value is considered to be contract value for financial statement reporting purposes under ASU 2015-12. In determining the reasonableness of the methodology, the trustees evaluate a variety of factors including review of existing contracts, economic conditions, industry and market developments, and overall credit ratings. Certain unobservable inputs are assessed through review of contract terms while others are substantiated utilizing available market data.

(Continued)

FirstService Residential 401(k) Plan

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2016

7. Fair Value Measurements (Continued)

***Brokerage Accounts – Personal Choice Retirement Account***

Investment options that allows participants to select investments outside the Plan's core options. Investments include common stock, mutual funds and interest-bearing cash. Brokerage accounts are covered by the certification. Security transactions are recorded on a trade date basis, which is the date, the order to buy or sell is executed. Common shares and mutual funds held by the plan are valued at the end of every business day.

The following tables set forth, by level with the fair value hierarchy, the Plan's investments are fair value as of December 31, 2016 and 2015:

| <b>December 31, 2016</b>           | <b><u>Fair Value</u></b>     | <b><u>Level 1</u></b>        | <b><u>Level 2</u></b>      |
|------------------------------------|------------------------------|------------------------------|----------------------------|
| Mutual Funds                       | \$ 108,565,848               | \$ 108,565,848               | \$ -                       |
| Common Collective Trust            | 3,494,045                    | -                            | 3,494,045                  |
| Personal Choice Retirement Account | 328,435                      | 328,435                      | -                          |
| Interest Bearing Cash              | <u>55,713</u>                | <u>55,713</u>                | <u>-</u>                   |
| Total                              | <b>\$ <u>112,444,041</u></b> | <b>\$ <u>108,949,996</u></b> | <b>\$ <u>3,494,045</u></b> |

| <b>December 31, 2015</b>           | <b><u>Fair Value</u></b>     | <b><u>Level 1</u></b>       | <b><u>Level 2</u></b>      |
|------------------------------------|------------------------------|-----------------------------|----------------------------|
| Mutual Funds                       | \$ 98,126,648                | \$ 98,126,648               | \$ -                       |
| Common Collective Trust            | 2,873,611                    | -                           | 2,873,611                  |
| Personal Choice Retirement Account | 973,655                      | 973,655                     | -                          |
| Interest Bearing Cash              | <u>194,803</u>               | <u>194,803</u>              | <u>-</u>                   |
| Total                              | <b>\$ <u>102,168,717</u></b> | <b>\$ <u>99,295,106</u></b> | <b>\$ <u>2,873,611</u></b> |

FirstService Residential 401(k) Plan

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2016

**8. Stable Value Fund**

The Plan offers a stable value fund, the Diversified Investment Advisors Collective Trust Stable Value Fund ("the Fund"), that the participant may elect to transfer all or part of its funds into. The stable value fund is considered to be a fully benefit responsive investment contract. Contract value is the relevant measurement attribute for that portion of the net assets available for benefits. Contract value, as reported by the Fund, is the beginning balance plus any deposit and credited interest, less any withdrawals, charges, or expenses, a measurement that approximates fair value. Participants may ordinarily direct or withdrawal or transfer of all or a portion of their investment at contract value. There are no reserves against contract value for credit risk of the Fund or otherwise.

The carrying value of the investment contract at December 31, 2016 and 2015 was \$3,494,045 and \$2,873,611, respectively. This investment seeks to protect against any loss of principal while providing returns in excess of money market funds and one year United States Treasury bills. The investment has a portfolio investment rate design in which all deposits are credited with the same interest rate, credited on a daily basis, and with no set maturity. The effective credited interest rate is set monthly and effective on the first day of the month. Contract charges may reduce this return. The Fund is not a separate account investment choice – it is an investment in the Fund's general account. The average yield of the stable value fund based on actual earnings and interest credited to participants was 1.34% and 1.68% for the years ended December 31, 2016 and 2015, respectively.

Certain events limit the ability of the Plan to transact at contract value with the Fund. Such events include the following: (1) the Plan is changed in a manner to significantly affect the Fund's obligations to the contract, (2) the contract can no longer be treated as a pension plan contract, (3) the Plan is terminated, (4) failure to comply with the contract's requirements, (5) failure to provide information, (6) sum of the contract account values at any time equals \$20,000 or less, or (7) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA. The plan administrator is not aware of any events, which would limit the Plan's ability to transact at contract value with participants, that are probable of occurring.

FirstService Residential 401(k) Plan

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2016

**9. Plan termination:**

Although it has not expressed any intent to do so, the Sponsor, the Company, has the right to discontinue its contributions at any time and to terminate the Plan at any time. In the event of Plan termination, Plan assets will be distributed in accordance with ERISA, and participants will be entitled to their vested account balances and will become fully vested in their allocation of employer contributions.

**10. Excess Contributions Payable**

The Plan failed the discrimination test for the years ended December 31, 2016 and 2015, resulting in excess contributions amounting to \$641,860 and \$391,560, respectively, which are recorded as liabilities in the accompanying statements of net assets available for benefits. The excess contributions made during the year ended December 31, 2016 and 2015 are recorded as a liability to the participant in the accompanying statement of net assets available for benefits and were reimbursed to participants prior to March 15, 2017 and 2016, respectively.

**11. Reportable Transactions**

***Late Remittances***

Sponsors of defined-contribution plans are required to remit employee contributions to the Plan as soon as funds can be reasonably segregated from the employer's general assets, but no later than the 15<sup>th</sup> business day of the month following the month in which the participant contributions are withheld by the employer. Failure to remit employee contributions into the Plan on a timely basis is considered a nonexempt prohibited transaction with a party in interest.

During the 2015 and 2014 plan years, contributions and loan payments in the amount of \$325,049 and \$1,729,086 were not remitted timely. Lost earnings for 2015 and 2014 were allocated to the affected participant accounts based on the instruction of the Department of Labor in May 2017 and July 2016, respectively. During 2016, contributions and participant loan payments in the amount of \$35,335 were not remitted timely. These late remittances are reported on Form 5500 for the Plan year ended December 31, 2016 as nonexempt prohibited transactions. Lost earnings on the 2016 late payments have not been determined to date.

(Continued)

FirstService Residential 401(k) Plan

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2016

**11. Reportable Transactions - (Continued)**

***Late Remittances- continued***

In December 2014, the Plan was advised by the U.S. Department of Labor that, among other things, the Company was taking excessive amounts of time to remit employee contributions and loan repayments to the Plan and may have violated several provisions of ERISA. The Company has undertaken corrective action related to the violations. Based on the significant reduction of late payments of participant funds during the 2016 Plan year the corrective action implemented appears to be effective.

***Missed Opportunity to Make Elective Deferrals***

Plan management has determined certain eligible employees were not given the opportunity to make elective deferrals on certain types of eligible compensation, as defined by the Plan. Plan management has estimated the amount of missed opportunity to defer totaled \$59,418 plus \$30,429 in related employer matching contributions. The Plan Sponsor, a party in interest, will make the correction using a self-compliance program. The correction will be equal to 50% of missed elective deferrals or \$29,709 plus 100% of related employer contributions of \$30,429. The estimated correction totals \$60,138 not including lost earnings. This correction is recorded as a Qualified Non-Employee Contribution (QNEC) on the Statement of Net Assets Available for benefits and the related Statement of Changes in Net Assets Available for Benefits.

**12. Operating Expenses**

Operating expenses consist of the following items:

|                                   |                   |
|-----------------------------------|-------------------|
| Professional fees                 | \$ 75,000         |
| Advisory fees                     | 100,274           |
| Record keeping and administration | <u>219,804</u>    |
| Totals                            | \$ <u>395,078</u> |

Fees to Transamerica are deducted from appreciation of assets at .41% of plan assets. Asset appreciation is reported at gross. Any excess revenue sharing is credited to the participant account. Conversely, any shortage of revenue sharing is deducted from the participant account. These amounts vary as a percentage of assets at the participant level based on investment selection and the revenue sharing percentage provided by the investments selected.

FirstService Residential 401(k) Plan

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2016

**13. Reconciliation of Financial Statement to Form 5500**

Since Schedule H of Form 5500 is presented using the modified cash basis of accounting the following is a reconciliation of net assets available for benefits per the financial statements prepared using the accrual basis of accounting at December 31 to Schedule H of the Form 5500:

|                                                                | <u>2016</u>           | <u>2015</u>           |
|----------------------------------------------------------------|-----------------------|-----------------------|
| Net assets available for benefits per the financial statements | \$ 116,904,199        | \$ 107,420,367        |
| Excess contributions payable                                   | 641,860               | 391,560               |
| Accrued expenses                                               | -                     | 30,000                |
| Participant contributions receivable                           | ( 189,485)            | ( 412,525)            |
| Employer contributions receivable                              | ( 50,527)             | ( 115,516)            |
| QNEC receivable                                                | ( 60,138)             | ( - )                 |
| Deemed distributions of participant loans                      | ( 4,797,724)          | ( 5,139,379)          |
| Deemed distributions of participant loans                      | <u>4,669,770</u>      | <u>5,007,701</u>      |
| Net assets available for benefits per Form 5500                | \$ <u>117,117,955</u> | \$ <u>107,182,208</u> |

The following is a reconciliation of net increase in net assets available for benefits per the financial statements presented on the accrual basis of accounting to Schedule H of the Form 5500 for the year ended December 31, 2016 which is presented using the modified cash basis of accounting:

|                                                               |                     |
|---------------------------------------------------------------|---------------------|
| Total net increase in net assets per the financial statements | \$ 9,483,832        |
| Participants contributions receivable – current year          | ( 189,485)          |
| Employer contributions receivable – current year              | ( 50,527)           |
| QNEC receivable                                               | ( 60,138)           |
| Participant contributions receivable – prior year             | 412,525             |
| Employer contributions receivable – prior year                | 115,516             |
| Excess contributions – current year                           | 641,860             |
| Excess contributions – prior year                             | ( 391,560)          |
| Accrued expense – prior year                                  | ( 30,000)           |
| Change in deemed distributions of participant loans           | <u>3,724</u>        |
| Total net income per the Form 5500                            | \$ <u>9,935,747</u> |

FirstService Residential 401(k) Plan

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2016

**14. Restatement**

The Statement of Net Assets Available for Benefits as of December 31, 2015 has been restated. Corrective distributions of excess contributions were \$391,560 as of December 31, 2015. Corrective distributions were originally at \$404,353. The difference of \$12,793 represents participants who took distributions prior to the refund of corrective distributions. As a result, these monies are included in current year distributions to participants.

**15. Subsequent Events**

Subsequent to December 31, 2016 the Plan was amended to reduce the number of outstanding loans a participant could have to one. The Plan previously allowed two outstanding loans. In addition, the Plan will no longer permit loans for the purchase of a principal residence. The amendment is effective January 1, 2017.

The Plan has evaluated subsequent events through November 26, 2017, the date the financial statements were available to be issued.

**16. Plan Amendments**

The Plan was amended to change vesting in employer matching contributions to three years. Effective January 1, 2016 participants will become 33% vested in employer matching contributions after one year of service, 66% after two years and 100% after three years of service. Participants with an account balance who terminated employment prior to December 31, 2015 will remain subject the six-year vesting schedule.

Effective January 1, 2016 Carlisle Texas Interests, LLC dba Southwest Management Services became a Related Eligible Employer. The employees will be eligible to participate in the Plan. No assets were transferred since Carlisle Texas Interests did not sponsor a retirement plan.

FirstService Residential 401(k) Plan

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2016

**17. Change in Accounting Method**

In July 2015, the FASB (Financial Accounting Standards Board) issued ASU (Accounting Standards Update) 2015-12, Plan Accounting for Defined Contribution Plans. Part I eliminates the requirements to measure the fair-value of fully benefit-responsive investment contracts and provide certain disclosures. Contract value is the only required measure for fully benefit-responsive investment contracts. Part II eliminates the requirements to disclose individual investments that represent 5% 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. The Plan will continue to disaggregate investments that are measured at 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 is not applicable to this Plan.

The ASU is effective for fiscal years beginning after December 15, 2015, with early adoption permitted. Parts I and II were to be applied retrospectively. Management elected to adopt parts I and II early. The changes were applied within the December 31, 2015 financial statements.

## SUPPLEMENTAL SCHEDULES

FirstService Residential 401(k) Plan

Employer Identification Number (EIN) 16-1682850 – Plan 001  
Form 5500, Schedule H, Question 4(a)

SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS

December 31, 2016

Participant  
Contributions  
Transferred Late  
to the Plan

Total that Constitutes Nonexempt Prohibited Transactions

| Check here if Late<br>Participant Loan<br>Repayments are<br>Included: <input checked="" type="checkbox"/> | Contributions Not<br>Corrected | Contributions<br>Corrected Outside<br>VFCP | Contributions<br>Pending<br>Correction in<br>VFCP | Total Fully<br>Corrected Under<br>VFCP and PTE<br>2002-51 |
|-----------------------------------------------------------------------------------------------------------|--------------------------------|--------------------------------------------|---------------------------------------------------|-----------------------------------------------------------|
| \$ 1,729,086                                                                                              | \$ -                           | \$ -                                       | \$ -                                              | \$ 1,729,086                                              |
| \$ 325,049                                                                                                | \$ -                           | \$ -                                       | \$ -                                              | \$ 325,049                                                |
| \$ 35,335                                                                                                 | \$ 35,335                      | \$ -                                       | \$ -                                              | \$ -                                                      |

FirstService Residential 401(k) Plan  
Employer Identification Number (EIN) 16-1682850 – Plan 001  
Form 5500, Schedule H, Question 4(i)

SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES

December 31, 2016

| (a)<br>Party-<br>In-<br>Interest | (b)<br>Identity of Issue     | (c)<br>Description of Investment                         | (d)<br>Cost | (e)<br>Current<br>Value |
|----------------------------------|------------------------------|----------------------------------------------------------|-------------|-------------------------|
|                                  | American Funds               | EuroPacific Growth R3                                    | (1)         | \$ 1,373,917            |
|                                  | Columbia                     | Dividend Income A                                        | (1)         | 4,409,242               |
|                                  | Dodge & Cox                  | Dodge and Cox Income                                     | (1)         | 2,580,243               |
|                                  | Goldman Sachs                | Small Cap Value A                                        | (1)         | 3,552,316               |
|                                  | JP Morgan                    | Smart Retirement Income R2                               | (1)         | 5,369,984               |
|                                  | JP Morgan                    | Smart Retirement Income 2015 R2                          | (1)         | 6,099,132               |
|                                  | JP Morgan                    | Smart Retirement Income 2020 R2                          | (1)         | 13,672,837              |
|                                  | JP Morgan                    | Smart Retirement Income 2025 R2                          | (1)         | 14,169,720              |
|                                  | JP Morgan                    | Smart Retirement Income 2030 R2                          | (1)         | 14,539,674              |
|                                  | JP Morgan                    | Smart Retirement Income 2035 R2                          | (1)         | 10,225,795              |
|                                  | JP Morgan                    | Smart Retirement Income 2040 R2                          | (1)         | 7,449,899               |
|                                  | JP Morgan                    | Smart Retirement Income 2045 R2                          | (1)         | 5,752,885               |
|                                  | JP Morgan                    | Smart Retirement Income 2050 R2                          | (1)         | 3,521,186               |
|                                  | JP Morgan                    | Large Cap Growth A                                       | (1)         | 3,833,900               |
|                                  | JP Morgan                    | Smart Retirement Income 2055 R2                          | (1)         | 1,072,065               |
|                                  | Principal                    | Mid-Cap A                                                | (1)         | 4,330,181               |
|                                  | Prudential                   | Jennison Small Company A                                 | (1)         | 1,657,192               |
|                                  | Vanguard                     | Total Bond Market Index                                  | (1)         | 903,488                 |
|                                  | Vanguard                     | Total International Stock Index                          | (1)         | 672,538                 |
|                                  | Vanguard                     | Total Stock Market Index                                 | (1)         | 3,379,654               |
| *                                | State Street Bank & Trust    | Cash Reserve Account                                     | (1)         | 55,713                  |
| *                                | Transamerica Retirement      | Stable Value                                             | (1)         | 3,494,045               |
|                                  | Charles Schwab Institutional | Personal Choice Retirement Acct                          | (1)         | 328,435                 |
| *                                | Participant notes            | Interest receivable                                      | (1)         | 4,144                   |
| *                                | Participant notes            | Participant notes, interest ranging from 4.25% to 10.25% | (1)         | <u>4,669,770</u>        |
|                                  |                              | Net Assets Form 5500 Schedule H                          |             | <u>\$ 117,117,955</u>   |

\*Party of interest as defined by ERISA.

(1) – Cost omitted for participant directed investments

# Schedule C, Line 2(h) Formula Descriptions

**FirstService Residential 401(k) Plan**

**EIN No.: 16-1682850, Plan No. 001**

**Plan Year Ending: 12/31/2016**

**Indirect Compensation in the form of revenue sharing was paid to the following Service Providers:**

|                                   |            |
|-----------------------------------|------------|
| TRANSAMERICA RETIREMENT SOLUTIONS | 13-3689044 |
| NATIONAL FINANCIAL SERVICES       | 04-3523567 |

Revenue amounts are shown in annualized basis points of plan assets invested in applicable fund

| Fund Family    | Fund Name                     | Start Date | End Date   | Revenue to<br>Transamerica<br>Retirement Solutions | Revenue to National<br>Financial Services |
|----------------|-------------------------------|------------|------------|----------------------------------------------------|-------------------------------------------|
| AMERICAN FUNDS | AMERICAN FUNDS EUROPACIFIC R3 | 1/1/2016   | 12/31/2016 | 63.310                                             | 1.690                                     |
| COLUMBIA       | COLUMBIA DIVIDEND INCOME, A   | 1/1/2016   | 12/31/2016 | 48.700                                             | 1.300                                     |
| DODGE & COX    | DODGE & COX INCOME FUND       | 1/1/2016   | 12/31/2016 | 7.792                                              | 0.208                                     |
| GOLDMAN SACHS  | GOLDMAN SACHS SMALL CAP VALUE | 1/1/2016   | 12/31/2016 | 53.570                                             | 1.430                                     |
| JP MORGAN      | JP MORGAN R2 SHARS 2020       | 1/1/2016   | 12/31/2016 | 73.050                                             | 1.950                                     |
| JP MORGAN      | JP MORGAN R2 SHARES 2030      | 1/1/2016   | 12/31/2016 | 73.050                                             | 1.950                                     |
| JP MORGAN      | JP MORGAN R2 SHARES 2040      | 1/1/2016   | 12/31/2016 | 73.050                                             | 1.950                                     |
| JP MORGAN      | JP MORGAN R2 SHARES 2050      | 1/1/2016   | 12/31/2016 | 73.050                                             | 1.950                                     |
| JP MORGAN      | JP MORGAN R2 SHARES INCOME    | 1/1/2016   | 12/31/2016 | 73.050                                             | 1.950                                     |
| JP MORGAN      | JP MORGAN R2 SHARES 2015      | 1/1/2016   | 12/31/2016 | 73.050                                             | 1.950                                     |
| JP MORGAN      | JP MORGAN R2 SHARES 2025      | 1/1/2016   | 12/31/2016 | 73.050                                             | 1.950                                     |
| JP MORGAN      | JP MORGAN R2 SHARES 2035      | 1/1/2016   | 12/31/2016 | 73.050                                             | 1.950                                     |
| JP MORGAN      | JP MORGAN R2 SHARES 2045      | 1/1/2016   | 12/31/2016 | 73.050                                             | 1.950                                     |
| JP MORGAN      | JPMORGAN LARGE CAP GROWTH     | 1/1/2016   | 12/31/2016 | 48.700                                             | 1.300                                     |
| JP MORGAN      | JPMORGAN SMARTRETIREMENT 2055 | 1/1/2016   | 12/31/2016 | 73.050                                             | 1.950                                     |
| PRINCIPAL      | PRINCIPAL MIDCAP FUND INSTL   | 1/1/2016   | 12/31/2016 | 9.740                                              | 0.260                                     |
| PRUDENTIAL     | PRUDENTIAL JENNISON SMALL CO  | 1/1/2016   | 12/31/2016 | 24.350                                             | 0.650                                     |

FirstService Residential 401(k) Plan  
Employer Identification Number (EIN) 16-1682850 – Plan 001  
Form 5500, Schedule H, Question 4(i)

SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES

December 31, 2016

| (a)<br>Party-<br>In-<br>Interest | (b)<br>Identity of Issue     | (c)<br>Description of Investment                         | (d)<br>Cost | (e)<br>Current<br>Value |
|----------------------------------|------------------------------|----------------------------------------------------------|-------------|-------------------------|
|                                  | American Funds               | EuroPacific Growth R3                                    | (1)         | \$ 1,373,917            |
|                                  | Columbia                     | Dividend Income A                                        | (1)         | 4,409,242               |
|                                  | Dodge & Cox                  | Dodge and Cox Income                                     | (1)         | 2,580,243               |
|                                  | Goldman Sachs                | Small Cap Value A                                        | (1)         | 3,552,316               |
|                                  | JP Morgan                    | Smart Retirement Income R2                               | (1)         | 5,369,984               |
|                                  | JP Morgan                    | Smart Retirement Income 2015 R2                          | (1)         | 6,099,132               |
|                                  | JP Morgan                    | Smart Retirement Income 2020 R2                          | (1)         | 13,672,837              |
|                                  | JP Morgan                    | Smart Retirement Income 2025 R2                          | (1)         | 14,169,720              |
|                                  | JP Morgan                    | Smart Retirement Income 2030 R2                          | (1)         | 14,539,674              |
|                                  | JP Morgan                    | Smart Retirement Income 2035 R2                          | (1)         | 10,225,795              |
|                                  | JP Morgan                    | Smart Retirement Income 2040 R2                          | (1)         | 7,449,899               |
|                                  | JP Morgan                    | Smart Retirement Income 2045 R2                          | (1)         | 5,752,885               |
|                                  | JP Morgan                    | Smart Retirement Income 2050 R2                          | (1)         | 3,521,186               |
|                                  | JP Morgan                    | Large Cap Growth A                                       | (1)         | 3,833,900               |
|                                  | JP Morgan                    | Smart Retirement Income 2055 R2                          | (1)         | 1,072,065               |
|                                  | Principal                    | Mid-Cap A                                                | (1)         | 4,330,181               |
|                                  | Prudential                   | Jennison Small Company A                                 | (1)         | 1,657,192               |
|                                  | Vanguard                     | Total Bond Market Index                                  | (1)         | 903,488                 |
|                                  | Vanguard                     | Total International Stock Index                          | (1)         | 672,538                 |
|                                  | Vanguard                     | Total Stock Market Index                                 | (1)         | 3,379,654               |
| *                                | State Street Bank & Trust    | Cash Reserve Account                                     | (1)         | 55,713                  |
| *                                | Transamerica Retirement      | Stable Value                                             | (1)         | 3,494,045               |
|                                  | Charles Schwab Institutional | Personal Choice Retirement Acct                          | (1)         | 328,435                 |
| *                                | Participant notes            | Interest receivable                                      | (1)         | 4,144                   |
| *                                | Participant notes            | Participant notes, interest ranging from 4.25% to 10.25% | (1)         | <u>4,669,770</u>        |
|                                  |                              | Net Assets Form 5500 Schedule H                          |             | <u>\$ 117,117,955</u>   |

\*Party of interest as defined by ERISA.

(1) – Cost omitted for participant directed investments