

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2016 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information		
For calendar plan year 2016 or fiscal plan year beginning <u>01/01/2016</u> and ending <u>12/31/2016</u>			
A This return/report is for:	☐ a multiemployer plan	☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)	
	☒ a single-employer plan		
B This return/report is:	☐ the first return/report	☐ a DFE (specify) _____	
	☒ an amended return/report	☐ the final return/report	
C If the plan is a collectively-bargained plan, check here.	☐		
D Check box if filing under:	☐ Form 5558	☐ automatic extension	☐ the DFVC program
	☒ special extension (enter description) <u>DISASTER RELIEF HURRICANE MARIA</u>		

Part II	Basic Plan Information —enter all requested information		
1a Name of plan	<u>DIRECTV PUERTO RICO RETIREMENT PLAN</u>	1b Three-digit plan number (PN) ▶	<u>001</u>
		1c Effective date of plan	<u>04/01/2000</u>
2a Plan sponsor's name (employer, if for a single-employer plan)	2b Employer Identification Number (EIN)		
Mailing address (include room, apt., suite no. and street, or P.O. Box)	<u>66-0564587</u>		
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)	2c Plan Sponsor's telephone number		
<u>DIRECTV PUERTO RICO, LTD.</u>	<u>787-776-5200</u>		
<u>PO BOX 71413</u>	2d Business code (see instructions)		
<u>SAN JUAN, PR 00936-8513</u>	<u>541990</u>		

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	<u>05/08/2018</u>	<u>PAUL STEPHENS</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number)			Preparer's telephone number

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN
	3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 498
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).	
a(1) Total number of active participants at the beginning of the plan year.....	6a(1) 411
a(2) Total number of active participants at the end of the plan year	6a(2) 289
b Retired or separated participants receiving benefits.....	6b 0
c Other retired or separated participants entitled to future benefits	6c 101
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 390
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	6e 0
f Total. Add lines 6d and 6e	6f 390
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g 300
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6h 12
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2G 2T 3C	
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ 0 A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

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

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

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

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

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

Receipt Confirmation Code _____

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

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

A Name of plan DIRECTV PUERTO RICO RETIREMENT PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 DIRECTV PUERTO RICO, LTD.	D Employer Identification Number (EIN) 66-0564587

Part I	Service Provider Information (see instructions)
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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) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation BENEFIT PLANS ADMIN SERVICES, INC.
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16-1503696

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation T. ROWE PRICE ASSOCIATES P.O. BOX 89000 BALTIMORE, MD 21202

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation FIDELITY INVESTMENT INSTITUTIONAL S 82 DEVONSHIRE STREET BOSTON, MA 02109

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation OPPENHEIMER FUNDS 6803 SOUTH TUCSON WAY ENGLEWOOD, CO 80112

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

INVESCO AIM FUNDS

11 GREENWAY PLAZA
SUITE 100
HOUSTON, TX 77046**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

LORD ABBETT FAMILY OF FUNDS

P.O. BOX 219100
KANSAS CITY, MO 64121**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

AMERICAN FUNDS SERVICE COMPANY

333 SOUTH HOPE STREET
LOS ANGELES, CA 90071**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

CALAMOS INVESTMENTS

1111 E. WARRENVILLE RD.
NAPERVILLE, IL 60563-1493**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

PIMCO

1633 BROADWAY
NEW YORK, NY 10019**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

FEDERATED SERVICES COMPANY

1001 LIBERTY AVENUE
PITTSBURGH, PA 15222-3779**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

AMERICAN CENTURY INVESTMENT MANAGEM

P.O. BOX 418210
KANSAS CITY, MO 64141-9210**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

JP MORGAN FUNDS

460 POLARIS PARKWAY
OH1-1235
COLUMBUS, OH 43082

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

FRANKLIN TEMPLETON FUNDS

2000 ALAMEDA DE LAS PULGA
2ND FLOOR
SAN MATEO, CA 94402

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

DWS INVESTMENTS

222 SOUTH RIVERSIDE PLAZA
24TH FLOOR
CHICAGO, IL 60600-6580

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

METROPOLITAN WEST ASSET MANAGEMENT

865 S. FIGUEROA STREET
SUITE 1200
LOS ANGELES, CA 90017

(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)

UBS TRUST COMPANY OF PUERTO RICO

66-0532499

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
21 26 49 52 63	NONE	14393	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

BENEFIT PLANS ADMIN SERVICES, INC.

16-1503696

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 19 37 60 63 99	NONE	10066	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(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 (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 (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)

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500) <small>Internal Revenue Service</small> <hr/> <small>Department of Labor</small> <small>Employee Benefits Security Administration</small> <hr/> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2016 This Form is Open to Public Inspection
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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016		
A Name of plan DIRECTV PUERTO RICO RETIREMENT PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 DIRECTV PUERTO RICO, LTD.	D Employer Identification Number (EIN) 66-0564587	

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	5702	0
(2) Participant contributions	1b(2)	9853	0
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	648581	0
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)	240802	249755
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	5437989	6476026
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:		
(1)	Employer securities	1d(1)	
(2)	Employer real property	1d(2)	
e	Buildings and other property used in plan operation	1e	
f	Total assets (add all amounts in lines 1a through 1e)	1f	6342927 6725781
Liabilities			
g	Benefit claims payable	1g	
h	Operating payables	1h	
i	Acquisition indebtedness	1i	
j	Other liabilities	1j	
k	Total liabilities (add all amounts in lines 1g through 1j)	1k	0 0
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	6342927 6725781

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
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A)	214322
	(B) Participants	2a(1)(B)	356769
	(C) Others (including rollovers)	2a(1)(C)	60045
(2)	Noncash contributions	2a(2)	
(3)	Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)	631136
b	Earnings on investments:		
(1)	Interest:		
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	
	(B) U.S. Government securities	2b(1)(B)	
	(C) Corporate debt instruments	2b(1)(C)	
	(D) Loans (other than to participants)	2b(1)(D)	
	(E) Participant loans	2b(1)(E)	8517
	(F) Other	2b(1)(F)	
	(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)	8517
(2)	Dividends: (A) Preferred stock	2b(2)(A)	
	(B) Common stock	2b(2)(B)	
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	237554
	(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)	237554
(3)	Rents	2b(3)	
(4)	Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	
	(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)	0
(5)	Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	
	(B) Other	2b(5)(B)	
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)	0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		100644
c Other income.....	2c		56
d Total income. Add all income amounts in column (b) and enter total.....	2d		977907

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	533856	
(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)		533856
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		36738
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)		
(2) Contract administrator fees.....	2i(2)	24459	
(3) Investment advisory and management fees.....	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		24459
j Total expenses. Add all expense amounts in column (b) and enter total	2j		595053

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		382854
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: **FPV & GALINDEZ, P.S.C.**

(2) EIN: **66-0703468**

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		1559186
4b		X	

		Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e Was this plan covered by a fidelity bond?	4e	X		25000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l Has the plan failed to provide any benefit when due under the plan?	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			
o Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service?	4o			

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

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

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

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

Part V Trust Information

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

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2016 This Form is Open to Public Inspection.
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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan <u>DIRECTV PUERTO RICO RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>DIRECTV PUERTO RICO, LTD.</u>	D Employer Identification Number (EIN) <u>66-0564587</u>

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

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>66-0532499</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	

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

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes	☐ No	☐ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☐ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

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

Schedule R (Form 5500) 2016
v. 160205

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) _____

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) _____

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) _____

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) _____

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) _____

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) _____

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

14	Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:		
a	The current year	14a	
b	The plan year immediately preceding the current plan year	14b	
c	The second preceding plan year	14c	
15	Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:		
a	The corresponding number for the plan year immediately preceding the current plan year	15a	
b	The corresponding number for the second preceding plan year	15b	
16	Information with respect to any employers who withdrew from the plan during the preceding plan year:		
a	Enter the number of employers who withdrew during the preceding plan year	16a	
b	If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	
17	If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐		

Part VI	Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans
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18	If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment	☐
19	If the total number of participants is 1,000 or more, complete lines (a) through (c)	
a	Enter the percentage of plan assets held as: Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%	
b	Provide the average duration of the combined investment-grade and high-yield debt: ☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more	
c	What duration measure was used to calculate line 19(b)? ☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____	

Part VII	IRS Compliance Questions
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20a Is the plan a 401(k) plan? If "No," skip b	☐ Yes ☐ No
20b How did the plan satisfy the nondiscrimination requirements for employee deferrals under section 401(k)(3) for the plan year? Check all that apply:	☐ Design-based safe harbor ☐ "Prior year" ADP test ☐ "Current year" ADP test ☐ N/A
21a What testing method was used to satisfy the coverage requirements under section 410(b) for the plan year? Check all that apply:	☐ Ratio percentage test ☐ Average benefit test ☐ N/A
21b Did the plan satisfy the coverage and nondiscrimination requirements of sections 410(b) and 401(a)(4) for the plan year by combining this plan with any other plan under the permissive aggregation rules?	☐ Yes ☐ No
22a If the plan is a master and prototype plan (M&P) or volume submitter plan that received a favorable IRS opinion letter or advisory letter, enter the date of the letter / / and the serial number .	
22b If the plan is an individually-designed plan that received a favorable determination letter from the IRS, enter the date of the most recent determination letter / / .	

DIRECTV Puerto Rico
Retirement Plan

Financial Statements
and Supplemental Schedules

December 31, 2016 and 2015

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All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

INDEPENDENT AUDITORS' REPORT

To the Administrative Committee and Participants of
DIRECTV Puerto Rico Retirement Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of DIRECTV Puerto Rico Retirement Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2016 and 2015, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's 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 Hands Benefits & Trust Company, the custodian 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 custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the custodian as of and for the years ended December 31, 2016 and 2015, that the information provided to the plan administrator by the custodian is complete and accurate.

To the Administrative Committee and Participants of
DIRECTV Puerto Rico Retirement Plan
Page 2

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 supplemental Schedule of Assets (Held at End of Year) as of December 31, 2016 and Schedule of Delinquent Participant Contributions for the year ended December 31, 2016 are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security 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.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements, other than that derived from the information certified by the custodian, 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.



FPV Galindez

San Juan, Puerto Rico
January 25, 2018

DIRECTV Puerto Rico Retirement Plan

Statements of Net Assets Available for Benefits

December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets		
Investments at fair value	<u>\$ 6,476,026</u>	<u>\$ 6,086,570</u>
Notes receivable from participants	<u>249,755</u>	<u>240,802</u>
Receivables:		
Employer's contribution	-	5,702
Participants' contributions	<u>-</u>	<u>9,853</u>
Total receivables	<u>-</u>	<u>15,555</u>
Net assets available for benefits	<u><u>\$ 6,725,781</u></u>	<u><u>\$ 6,342,927</u></u>

See notes to financial statements

DIRECTV Puerto Rico Retirement Plan

Statements of Changes in Net Assets Available for Benefits

For the Years ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Additions		
Additions to net assets attributed to:		
Contributions:		
Employer	\$ 214,322	\$ 333,626
Participants	356,769	568,525
Rollover	<u>60,045</u>	<u>52,426</u>
Total contributions	<u>631,136</u>	<u>954,577</u>
Investment income:		
Interest and dividends	237,554	339,688
Interest on notes receivable from participants	8,517	10,501
Other	56	-
Net appreciation / (depreciation) in fair value of investments	<u>100,644</u>	<u>(344,147)</u>
Total investments income	<u>346,771</u>	<u>6,042</u>
Total additions	<u>977,907</u>	<u>960,619</u>
Deductions		
Deductions from net assets attributed to:		
Benefits paid to participants	533,856	491,813
Loans distributions	36,738	31,125
Administrative expenses	<u>24,459</u>	<u>23,121</u>
Total deductions	<u>595,053</u>	<u>546,059</u>
Net increase	382,854	414,560
Net assets available for benefits, beginning of year	<u>6,342,927</u>	<u>5,928,367</u>
Net assets available for benefits, end of year	<u>\$ 6,725,781</u>	<u>\$ 6,342,927</u>

See notes to financial statements

DIRECTV Puerto Rico Retirement Plan

Notes to Financial Statements

December 31, 2016 and 2015

Note 1 - Description of the plan

The following description of the DIRECTV Puerto Rico Retirement 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 all regular employees of DIRECTV Puerto Rico, Ltd. (the Plan Sponsor), who have three months of service, as defined. There is no age requirement to be a participant of the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions

Each year, participants may contribute an amount of their compensation, as defined in the Plan, not exceeding the maximum deferral specified by local law. The Plan Sponsor contributes dollar-for-dollar up to 3.5% of the base compensation that a participant contributes to the Plan. Additional amounts may be contributed at the option of the Plan Sponsor such as the profit sharing contribution and/or a discretionary matching, as defined. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans, subject to the conditions and limitations set forth in the Plan agreement.

Effective on September 9, 2016, the Plan Sponsor amended the Plan to provide that no new participants will enter the Plan and that all contributions to the Plan were discontinued by the Participants and the Plan Sponsor and the rights of the affected participants in the Plan account balances as of September 9, 2016, were fully vested.

Participant accounts

Each participant's account is credited with the participant's contribution and allocations of: (a) the Plan Sponsor's contribution prior to September 9, 2016 and, (b) Plan earnings. Allocation of Plan earnings is based on the participant's account balance, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

DIRECTV Puerto Rico Retirement Plan

Notes to Financial Statements – (Continued)

December 31, 2016 and 2015

Note 1 - Description of the plan – (continued)

Vesting

Prior to September 9, 2016, participants were immediately vested in their contributions plus actual earnings thereon. Vesting in the Plan Sponsor's matching and discretionary contribution portion of their accounts plus actual earnings thereon was based on years of continuous service. A participant was 100% vested upon attaining five years of credited service, 60% upon attaining four years, 40% upon attaining three years and 20% upon attaining two years. Notwithstanding the above, all participants were 100% vested upon attaining age 65. All participants vested on September 9, 2016.

Investments options

The Plan sponsor's and participants' contributions were invested in various investment funds provided by the Custodian, as permitted by the Trust Agreement.

Notes receivable from participants

Participants were permitted to obtain loans against the vested portion of their account based upon certain provisions of the Plan. Plan participants obtained a loan from the Plan with a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of the fair value of the participant's vested accrued benefit. The loans are secured by the balance in the participant's account and bear interest at 4.5% over prime rate on the date the loan application is completed. Principal and interest were paid ratably through monthly payroll deductions up to September 9, 2016.

Payment of benefits

Upon termination of service due to death, disability or retirement, a participant may elect to receive an amount equal to the value of the participant's vested interest in his or her account in either a lump-sum amount or periodic installments. For termination of service due to other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution.

Forfeitures

Upon participant's termination from employment or withdrawal from the Plan for any reason other than death, retirement or disability, the employer contributions on behalf of the participants not then vested are forfeited and used first to reduce future employer contributions or to reduce the Plan's administrative expenses. Total forfeitures as of December 31, 2016 and 2015 amounted to \$15,688 and \$21,034, respectively.

DIRECTV Puerto Rico Retirement Plan

Notes to Financial Statements – (Continued)

December 31, 2016 and 2015

Note 1 - Description of the plan – (continued)

Administrative expenses

Administrative expenses are paid by the Plan, as provided in the Plan document, unless paid by the Plan Sponsor.

Plan termination

The Plan Sponsor has the right under the Plan to discontinue its contributions at any time or to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

Note 2 - Summary of significant accounting policies

Basis of presentation

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis of accounting

The financial statements are prepared under the accrual basis of accounting.

Use of estimates

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

Investments valuation and income recognition

The Plan's investments are stated at fair value. Quoted market prices are used to value investments. Shares of mutual funds are valued at quoted market prices, which represent the net asset value of shares held by the Plan at year end. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

DIRECTV Puerto Rico Retirement Plan

Notes to Financial Statements – (Continued)

December 31, 2016 and 2015

Note 2 - Summary of significant accounting policies – (continued)

Risk and uncertainties

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

Payment of benefits

Benefits are recorded when paid.

Benefits payable

The Plan accounts for benefits payable in accordance with the guidance provided by the American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide, Audits of Employee Benefit Plans. This guidance requires that benefits payable to persons who have withdrawn from participation in a defined contribution plan be disclosed in the notes to the financial statements rather than recorded as a liability of the Plan. As of December 31, 2016 and 2015, benefits payable due to participants amounted to \$10,247 and nil, respectively.

Recently adopted accounting pronouncements

During the year ended December 31, 2016, the Plan adopted the provisions of Financial Accounting Standard Board, Accounting Standards Update (ASU) No. 2015-12 (Part II), *Plan Accounting Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965)*. ASU No. 2015-12 eliminates the requirement to disclose in the financial statements of the Plan (1) individual investments that represent 5% or more of the net assets available for benefits and (2) the net appreciation or depreciation for investments by general type. The net appreciation or depreciation on investments for the period is still required to be presented in the aggregate, but no longer required to be disaggregated and disclosed by general type.

DIRECTV Puerto Rico Retirement Plan

Notes to Financial Statements – (Continued)

December 31, 2016 and 2015

Note 3 - Information certified by custodian (unaudited)

The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the U.S. Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Hands Benefit and Trust Company (the Custodian), has certified as to the completeness and accuracy of all investments related information reflected in the accompanying financial statements as of December 31, 2016 and 2015 and for the years ended December 31, 2016 and 2015 and the related notes to the financial statements, and schedule H, line 4i – schedule of assets (held at end of year) as of December 31, 2016. The Custodian maintains all records, executes investment transactions, and holds all assets of the Plan.

During the years ended December 31, 2016 and 2015, the Plan's investments in mutual funds (including gains and losses on investments bought and sold, as well as held during the year) appreciated / (depreciated) in value by \$100,644 and (\$344,147), respectively.

Note 4 - Fair value measurements

Financial Accounting Standards Board (FASB) Accounting Standard Codification (ASC) 820-10-35 establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

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

Level 2 Inputs to the valuation methodology include:

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

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

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

DIRECTV Puerto Rico Retirement Plan

Notes to Financial Statements – (Continued)

December 31, 2016 and 2015

Note 4 - Fair value measurements – (continued)

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

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 are valued at the net asset value (NAV) of shares held by the Plan at year end.

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

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

Assets at Fair Value as of December 31, 2016				
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 6,476,026	\$ -	\$ -	\$ 6,476,026
Assets at Fair Value as of December 31, 2015				
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 6,086,570	\$ -	\$ -	\$ 6,086,570

Note 5 - Tax status

The Plan constitutes a qualified plan, exempted from income tax under the provisions of Section 1081.01 of the Internal Revenue Code for a New Puerto Rico (the 2011 Code), as amended.

The Plan obtained a favorable determination letter on February 12, 2015, in which the Commonwealth of Puerto Rico tax authorities stated that the Plan, as then designed, was in compliance with the applicable requirements of Section 1081.01.

DIRECTV Puerto Rico Retirement Plan

Notes to Financial Statements – (Continued)

December 31, 2016 and 2015

Note 5 - Tax status – (continued)

The Plan has been amended since receiving the determination letter. The Plan requested an updated determination letter to the Puerto Rico Treasury Department on November 20, 2017.

Note 6 - Delinquent participant contributions

During the years ended December 31, 2016 and 2015, the Plan Sponsor remitted participant contributions aggregating to \$34,407 and \$285,193, respectively, to the Plan past their due dates. The Plan identified late remittances for each of 2011-2016 and made corrective contributions to the Plan. On February 2016, the Plan applied to the DOL's Voluntary Fiduciary Correction Program with respect to late remittances from years 2012 through 2015 for \$1,309,419. On February 17, 2016, the Plan received a no action letter from the DOL approving the correction. On January 25, 2018, the Plan applied to the DOL's Voluntary Fiduciary Correction Program with respect to late remittances for 2011 and 2016 for \$247,912.

Note 7 - Party-in-interest transactions

The Plan did not comply with the discrimination test for the years ended December 31, 2016 and 2015. This test requires compliance with a determined percentage of contributions to the Plan as established in Section 1081.01. The Plan Sponsor had the following alternatives to correct this non-compliance: additional employer contributions to non-highly compensated participants; reimbursement to highly compensated participants to their excess contributions, which would result in reporting this reimbursement as taxable income for the year in which the noncompliance takes place; or reclassifying the excess contributions of high compensated participants as a post-tax contributions, which require reporting this excess amount as a taxable income for the year in which reclassification take place. The Plan Sponsor elected to make additional employer contributions to non-highly compensated participants amounting to \$271 and \$7,449 for 2016 and 2015, respectively. The 2016 additional contributions were made from the forfeitures transferred to the ARSP-PR plan forfeiture account. The additional contributions for 2015 were transferred from the Plan's forfeiture accounts.

Note 8 - Subsequent events

On March 1, 2017, DIRECTV Puerto Rico, Ltd. (Plan Sponsor) resolved that (1) the AT&T Inc. Benefit Plan Investment Committee (BPIC) shall have the full and exclusive power and authority with respect to the establishment, qualification, administration, investment and operation of the trust established as part of the Plan, including but not limited to the power to merge the assets of the Plan into any other AT&T 401(k) plan trust; (2) the AT&T Investment Management Committee, which was created by the BPIC, shall have and exercise with respect to the Plan's trust

DIRECTV Puerto Rico Retirement Plan

Notes to Financial Statements – (Continued)

December 31, 2016 and 2015

Note 8 - Subsequent events – (continued)

any and all powers and authority delegated by the BPIC to the AT&T Investment Management Committee as provided by the BPIC Organization Document; (3) the SVP HR shall have the full and exclusive power and authority to administer, amend, merge and/or terminate the Plan, among other things; and (4) the BPIC and the SVP HR shall be named fiduciaries (within the meaning of section 402(a)(2) of the Employee Retirement Income Security Act of 1974, as amended) under the Plan and any related trust as hereinbefore provided, among other things.

A Blackout Notice was issued to the Plan's participants on March 2, 2017, indicating their rights and changes during the movement of the participants' account balances to the AT&T Puerto Rico Retirement Savings Plan.

Effective on April 17, 2017, the Plan's assets were transferred in-cash, except that any loans from the Plan as of the same date were transferred in kind to the AT&T Puerto Rico Retirement Savings Plan.

The Plan has evaluated the impact of subsequent events through January 25, 2018, which is the date the financial statements were available to be issued. Except as disclosed above, no events have occurred subsequent to the statement of net asset available for benefit and to the date financial statements were available to be issued, that would require additional adjustment, to or disclosure in the financial statements.

DIRECTV Puerto Rico Retirement Plan

EIN: 66-0564587 – Plan No. 001
Form 5500, Schedule H, Part IV, Line 4(i)

Schedule of Assets (Held at End of Year)

December 31, 2016

(a)	(b)	(c)	(d)	(e) Current
Identity of Issue, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par, or maturity value	Cost	Value	
American Century Mid-Cap Value	Mutual fund, 2,060 shares	**	\$ 35,410	
American Mutual Fund - R4	Mutual fund, 22,260 shares	**	817,399	
American Funds Capwld G&I R4	Mutual fund, 169 shares	**	7,393	
American Funds Growth Fund - R4	Mutual fund, 19,193 shares	**	800,159	
Deutsche S&P 500 Index A	Mutual fund, 2,268 shares	**	60,528	
Federated Govt Obligations Fund	Mutual fund, 551,940 shares	**	551,941	
Fidelity U.S. Bond Index Fund	Mutual fund, 69,570 shares	**	800,057	
Invesco International Growth Fund	Mutual fund, 22,882 shares	**	694,467	
JP Morgan LG Cap Growth A Fund	Mutual fund, 21,232 shares	**	670,924	
Lord Abbett Mid-Cap Value Fund	Mutual fund, 10,882 shares	**	301,187	
Met West Total Return Bond M	Mutual fund, 4,334 shares	**	45,682	
PIMCO Foreign Bond Fund	Mutual fund, 46,462 shares	**	485,988	
T. Rowe Price Retirement 2020	Mutual fund, 538 shares	**	10,913	
T. Rowe Price Retirement 2030	Mutual fund, 18,336 shares	**	409,802	
T. Rowe Price Retirement 2040	Mutual fund, 14,056 shares	**	323,573	
T. Rowe Price Retirement 2050	Mutual fund, 35,322 shares	**	<u>460,603</u>	
Total investments			6,476,026	
Participant loans	66 loans, interest 4.50%		<u>249,755</u>	
Total			<u>\$ 6,725,781</u>	

(a) Not used

** Cost information is not required for participant-directed investments and, therefore, is not included.

DIRECTV Puerto Rico Retirement Plan
EIN: 66-0564587 – Plan No: 001

Form 5500, Schedule H, Part IV, Line 4(a)

Schedule of Delinquent Participant Contributions

Year Ended December 31, 2016

				Total that Constitutes Nonexempt Prohibited Transactions			
Participants Contributions Transferred Late to the Plan			Check Here if Late Participant Loan Repayments are Included	Contributions Not Corrected	Contributions Corrected Outside Voluntary Fiduciary Correction Program	Contributions Pending Correction in Voluntary Fiduciary Correction Program	Total Fully Corrected Under Voluntarily Fiduciary Correction Program and PTE 2002-51
Amount Withheld	Date Withheld	Date Remitted					
\$ 400	2/29/2016	03/07/2016	No	\$ -	\$ -	\$ 400	\$ -
10,960	3/21/2016	03/28/2016	No	-	-	10,960	-
12,489	8/26/2016	09/02/2016	Yes	-	-	12,489	-
89	8/31/2016	09/07/2016	No	-	-	89	-
10,469	9/2/2016	09/09/2016	Yes	-	-	10,469	-
12,942	1/2/2015	01/12/2015	Yes	-	-	-	12,942
12,685	1/9/2015	01/20/2015	Yes	-	-	-	12,685
13,135	1/16/2015	01/23/2015	Yes	-	-	-	13,135
908	1/30/2015	02/06/2015	No	-	-	-	908
7,492	1/30/2015	02/11/2015	No	-	-	-	7,492
12,585	2/6/2015	02/13/2015	Yes	-	-	-	12,585
937	2/27/2015	03/09/2015	No	-	-	-	937
4,319	2/27/2015	03/12/2015	No	-	-	-	4,319
11,843	3/13/2015	03/24/2015	Yes	-	-	-	11,843
11,856	3/20/2015	03/27/2015	Yes	-	-	-	11,856
2,991	3/31/2015	04/07/2015	No	-	-	-	2,991

DIRECTV Puerto Rico Retirement Plan
EIN: 66-0564587 – Plan No: 001

Form 5500, Schedule H, Part IV, Line 4(a)

Schedule of Delinquent Participant Contributions – (continued)

Year Ended December 31, 2016

			Total that Constitutes Nonexempt Prohibited Transactions				
Participants Contributions Transferred Late to the Plan			Check Here if Late Participant Loan Repayments are Included	Contributions Not Corrected	Contributions Corrected Outside Voluntary Fiduciary Correction Program	Contributions Pending Correction in Voluntary Fiduciary Correction Program	Total Fully Corrected Under Voluntarily Fiduciary Correction Program and PTE 2002-51
Amount Withheld	Date Withheld	Date Remitted					
30,009	3/31/2015	04/16/2015	No	-	-	-	30,009
12,076	4/10/2015	04/20/2015	Yes	-	-	-	12,076
11,821	4/24/2015	05/01/2015	Yes	-	-	-	11,821
4,196	4/24/2015	05/14/2015	No	-	-	-	4,196
989	4/30/2015	05/14/2015	No	-	-	-	989
11,960	5/8/2015	05/26/2015	Yes	-	-	-	11,960
11,914	5/15/2015	05/29/2015	Yes	-	-	-	11,914
12,059	5/22/2015	06/01/2015	Yes	-	-	-	12,059
1,933	5/29/2015	06/05/2015	No	-	-	-	1,933
11,466	5/29/2015	06/08/2015	Yes	-	-	-	11,466
501	5/29/2015	06/10/2015	No	-	-	-	501
11,492	6/5/2015	06/15/2015	Yes	-	-	-	11,492
11,363	6/12/2015	06/19/2015	Yes	-	-	-	11,363
11,438	6/26/2015	07/07/2015	Yes	-	-	-	11,438
2,017	6/26/2015	07/07/2015	No	-	-	-	2,017

DIRECTV Puerto Rico Retirement Plan
 EIN: 66-0564587 – Plan No: 001

Form 5500, Schedule H, Part IV, Line 4(a)

Schedule of Delinquent Participant Contributions – (continued)

Year Ended December 31, 2016

				Total that Constitutes Nonexempt Prohibited Transactions			
Participants Contributions Transferred Late to the Plan			Check Here if Late Participant Loan Repayments are Included	Contributions Not Corrected	Contributions Corrected Outside Voluntary Fiduciary Correction Program	Contributions Pending Correction in Voluntary Fiduciary Correction Program	Total Fully Corrected Under Voluntarily Fiduciary Correction Program and PTE 2002-51
Amount Withheld	Date Withheld	Date Remitted					
512	6/30/2015	07/10/2015	No	-	-	-	512
11,267	7/2/2015	07/14/2015	Yes	-	-	-	11,267
1,855	8/6/2015	03/21/2016	No	-	1,855	-	-
10,232	8/28/2015	09/04/2015	Yes	-	-	-	10,232
273	8/30/2015	09/09/2015	No	-	-	-	273
10,729	9/11/2015	09/21/2015	Yes	-	-	-	10,729
10,932	9/25/2015	10/06/2015	Yes	-	-	-	10,932
3,562	9/25/2015	10/08/2015	No	-	-	-	3,562
760	9/30/2015	10/08/2015	No	-	-	-	759
Total				\$ -	\$ 1,855	\$ 34,407	285,193
2014 late remittances							221,309
2013 late remittances							382,832
2012 late remittances							420,085
2011 late remittance							-
							213,505
							\$ 247,912
							\$ 1,309,419

DIRECTV Puerto Rico Retirement Plan

EIN: 66-0564587 – Plan No. 001
Form 5500, Schedule H, Part IV, Line 4(i)

Schedule of Assets (Held at End of Year)

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Total			<u>\$ 6,725,781</u>	

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