# 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

**2017**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

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

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

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

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

## Part II Basic Plan Information—enter all requested information

**1a** Name of plan
MONIQUE LHUILLIER, INC. 401(K) PROFIT SHARING PLAN

**1b** Three-digit plan number (PN) ▶ 001

**1c** Effective date of plan 01/01/2006

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

4533 PACIFIC BLVD.
VERNON, CA 90058

**2b** Employer Identification Number (EIN)
95-4586383

**2c** Plan Sponsor's telephone number
213-747-8811

**2d** Business code (see instructions)
315100

**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. | 09/19/2018 | SHERYL SADIS |
| | **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 |

**3a** Plan administrator's name and address [X] Same as Plan Sponsor

**3b** Administrator's EIN

**3c** Administrator's telephone number

**4** If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report:
**a** Sponsor's name
**c** Plan Name

**4b** EIN

**4d** PN

| | | |
|---|---|---|
| **5** Total number of participants at the beginning of the plan year | **5** | 260 |
| **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)** | 220 |
| **a(2)** Total number of active participants at the end of the plan year | **6a(2)** | 129 |
| **b** Retired or separated participants receiving benefits | **6b** | 0 |
| **c** Other retired or separated participants entitled to future benefits | **6c** | 52 |
| **d** Subtotal. Add lines **6a(2)**, **6b**, and **6c** | **6d** | 181 |
| **e** Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. | **6e** | 0 |
| **f** Total. Add lines **6d** and **6e**. | **6f** | 181 |
| **g** Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | 115 |
| **h** Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 1 |
| **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:

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

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

**9a** Plan funding arrangement (check all that apply)

| | | |
|---|---|---|
| **(1)** | [X] | Insurance |
| **(2)** | [ ] | Code section 412(e)(3) insurance contracts |
| **(3)** | [X] | Trust |
| **(4)** | [ ] | General assets of the sponsor |

**9b** Plan benefit arrangement (check all that apply)

| | | |
|---|---|---|
| **(1)** | [X] | Insurance |
| **(2)** | [ ] | Code section 412(e)(3) insurance contracts |
| **(3)** | [X] | 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)** | [X] | **R** (Retirement Plan Information) |
| **(2)** | [ ] | **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary |
| **(3)** | [ ] | **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary |

**b General Schedules**

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

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

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

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

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

**11c** Enter the Receipt Confirmation Code for the 2017 Form M-1 annual report. If the plan was not required to file the 2017 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 A (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Insurance 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.**

▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

OMB No. 1210-0110

**2017**

**This Form is Open to Public Inspection**

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

**A** Name of plan
MONIQUE LHUILLIER, INC. 401(K) PROFIT SHARING PLAN

**B** Three-digit plan number (PN) ▶ 001

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

**D** Employer Identification Number (EIN)
95-4586383

**Part I** **Information Concerning Insurance Contract Coverage, Fees, and Commissions** Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.

**1** Coverage Information:

**(a)** Name of insurance carrier
JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)

| (b) EIN | (c) NAIC code | (d) Contract or identification number | (e) Approximate number of persons covered at end of policy or contract year | Policy or contract year | |
|---|---|---|---|---|---|
| | | | | (f) From | (g) To |
| 01-0233346 | 65838 | 107049 | 0 | 01/01/2017 | 07/31/2017 |

**2** Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

| (a) Total amount of commissions paid | (b) Total amount of fees paid |
|---|---|
| 7741 | 1868 |

**3** Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid
CROWN BENEFITS INC.

| (b) Amount of sales and base commissions paid | Fees and other commissions paid | | (e) Organization code |
|---|---|---|---|
| | (c) Amount | (d) Purpose | |
| 7741 | 1868 | | |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| (b) Amount of sales and base commissions paid | Fees and other commissions paid | | (e) Organization code |
|---|---|---|---|
| | (c) Amount | (d) Purpose | |
| | | | |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| **(b)** Amount of sales and base commissions paid | Fees and other commissions paid | | **(e)** Organization code |
|---|---|---|---|
| | **(c)** Amount | **(d)** Purpose | |
| | | | |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| **(b)** Amount of sales and base commissions paid | Fees and other commissions paid | | **(e)** Organization code |
|---|---|---|---|
| | **(c)** Amount | **(d)** Purpose | |
| | | | |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| **(b)** Amount of sales and base commissions paid | Fees and other commissions paid | | **(e)** Organization code |
|---|---|---|---|
| | **(c)** Amount | **(d)** Purpose | |
| | | | |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| **(b)** Amount of sales and base commissions paid | Fees and other commissions paid | | **(e)** Organization code |
|---|---|---|---|
| | **(c)** Amount | **(d)** Purpose | |
| | | | |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| **(b)** Amount of sales and base commissions paid | Fees and other commissions paid | | **(e)** Organization code |
|---|---|---|---|
| | **(c)** Amount | **(d)** Purpose | |
| | | | |

## Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

| | | | |
|---|---|---|---|
| **4** | Current value of plan's interest under this contract in the general account at year end | **4** | 0 |
| **5** | Current value of plan's interest under this contract in separate accounts at year end | **5** | 0 |

**6** Contracts With Allocated Funds:

**a** State the basis of premium rates ▶

| | | | |
|---|---|---|---|
| **b** | Premiums paid to carrier | **6b** | |
| **c** | Premiums due but unpaid at the end of the year | **6c** | |
| **d** | If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. | **6d** | |

Specify nature of costs ▶

**e** Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity

(3) ☐ other (specify) ▶

**f** If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐

**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

**a** Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee

(3) ☐ guaranteed investment (4) ☐ other ▶

| | | | | | |
|---|---|---|---|---|---|
| **b** | Balance at the end of the previous year | | | **7b** | 0 |
| **c** | Additions: (1) Contributions deposited during the year | **7c(1)** | 0 | | |
| | (2) Dividends and credits | **7c(2)** | 0 | | |
| | (3) Interest credited during the year | **7c(3)** | 0 | | |
| | (4) Transferred from separate account | **7c(4)** | 0 | | |
| | (5) Other (specify below) | **7c(5)** | 0 | | |
| | ▶ | | | | |
| | (6) Total additions | | | **7c(6)** | 0 |
| **d** | Total of balance and additions (add lines **7b** and **7c(6)**). | | | **7d** | 0 |
| **e** | Deductions: | | | | |
| | (1) Disbursed from fund to pay benefits or purchase annuities during year | **7e(1)** | 0 | | |
| | (2) Administration charge made by carrier | **7e(2)** | 0 | | |
| | (3) Transferred to separate account | **7e(3)** | 0 | | |
| | (4) Other (specify below) | **7e(4)** | 0 | | |
| | ▶ | | | | |
| | (5) Total deductions | | | **7e(5)** | 0 |
| **f** | Balance at the end of the current year (subtract line **7e(5)** from line **7d**) | | | **7f** | 0 |

## Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

**8** Benefit and contract type (check all applicable boxes)

- **a** ☐ Health (other than dental or vision)
- **b** ☐ Dental
- **c** ☐ Vision
- **d** ☐ Life insurance
- **e** ☐ Temporary disability (accident and sickness)
- **f** ☐ Long-term disability
- **g** ☐ Supplemental unemployment
- **h** ☐ Prescription drug
- **i** ☐ Stop loss (large deductible)
- **j** ☐ HMO contract
- **k** ☐ PPO contract
- **l** ☐ Indemnity contract
- **m** ☐ Other (specify) ▶

| | | | | |
|---|---|---|---|---|
| **9** Experience-rated contracts: | | | | |
| **a** Premiums: (1) Amount received | **9a(1)** | | | |
| (2) Increase (decrease) in amount due but unpaid | **9a(2)** | | | |
| (3) Increase (decrease) in unearned premium reserve | **9a(3)** | | | |
| (4) Earned (**(1)** + **(2)** - **(3)**) | | | **9a(4)** | 0 |
| **b** Benefit charges (1) Claims paid | **9b(1)** | | | |
| (2) Increase (decrease) in claim reserves | **9b(2)** | | | |
| (3) Incurred claims (add **(1)** and **(2)**) | | | **9b(3)** | 0 |
| (4) Claims charged | | | **9b(4)** | |
| **c** Remainder of premium: (1) Retention charges (on an accrual basis) -- | | | | |
| (A) Commissions | **9c(1)(A)** | | | |
| (B) Administrative service or other fees | **9c(1)(B)** | | | |
| (C) Other specific acquisition costs | **9c(1)(C)** | | | |
| (D) Other expenses | **9c(1)(D)** | | | |
| (E) Taxes | **9c(1)(E)** | | | |
| (F) Charges for risks or other contingencies | **9c(1)(F)** | | | |
| (G) Other retention charges | **9c(1)(G)** | | | |
| (H) Total retention | | | **9c(1)(H)** | 0 |
| (2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.) | | | **9c(2)** | 0 |
| **d** Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement | | | **9d(1)** | |
| (2) Claim reserves | | | **9d(2)** | |
| (3) Other reserves | | | **9d(3)** | |
| **e** Dividends or retroactive rate refunds due. (Do not include amount entered in line **9c(2)**.) | | | **9e** | |
| **10** Nonexperience-rated contracts: | | | | |
| **a** Total premiums or subscription charges paid to carrier | | | **10a** | |
| **b** If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount. | | | **10b** | |

Specify nature of costs.

## Part IV Provision of Information

**11** Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

**12** If the answer to line 11 is "Yes," specify the information not provided. ▶

| SCHEDULE C (Form 5500) | Service Provider Information | OMB No. 1210-0110 |
|---|---|---|
| Department of the Treasury<br>Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br>▶ **File as an attachment to Form 5500.** | **2017**<br>**This Form is Open to Public Inspection.** |

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

**A** Name of plan
MONIQUE LHUILLIER, INC. 401(K) PROFIT SHARING PLAN

**B** Three-digit plan number (PN) ▶ 001

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

**D** Employer Identification Number (EIN)
95-4586383

## Part I Service Provider Information (see instructions)

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

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

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

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

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

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

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

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 37 60 64 65 | RECORDKEEPER | 964 | Yes [X] No [ ] | Yes [X] No [ ] | 0 | Yes [X] 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 [ ] |

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

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

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

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

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

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

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

## Part I Service Provider Information (continued)

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

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

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| INVS DIVRS DIVD R5 - INVESCO INVES 11 GREENWAY PLAZA, SUITE 100 HOUSTON, TX 77046 | 0.35% |

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

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| WF SPL SM CP VAL ADM - BOSTON FINA P.O. BOX 8480 BOSTON, MA 02266 | 0.35% |

| **(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 D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

## DFE/Participating Plan Information

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

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

OMB No. 1210-0110

**2017**

**This Form is Open to Public Inspection.**

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

**A** Name of plan
MONIQUE LHUILLIER, INC. 401(K) PROFIT SHARING PLAN

**B** Three-digit plan number (PN) ▶ 001

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

**D** Employer Identification Number (EIN)
95-4586383

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

**a** Name of MTIA, CCT, PSA, or 103-12 IE: 500 INDEX FUND

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY USA

| **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) |
|---|---|---|
| 01-0233346-000 | P | 0 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: CAPITAL WORLD GROWTH & INCOME

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY USA

| **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) |
|---|---|---|
| 01-0233346-000 | P | 0 |

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

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY USA

| **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) |
|---|---|---|
| 01-0233346-000 | P | 0 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: DFA INFLATION-PROTCTED SEC

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY USA

| **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) |
|---|---|---|
| 01-0233346-000 | P | 0 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: DFA US SMALL CAP FUND

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY USA

| **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) |
|---|---|---|
| 01-0233346-000 | P | 0 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: DFA US TARGETED VALUE FUND

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY USA

| **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) |
|---|---|---|
| 01-0233346-000 | P | 0 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: DODGE & COX INTERNATIIONAL ST

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY USA

| **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) |
|---|---|---|
| 01-0233346-000 | P | 0 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: INTL EQUITY INDEX FUND

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY USA

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0 |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: JH RET INCOME MANAGED PORT

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY USA

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0 |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: JH RET TO 2020 MANAGED PORT

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY USA

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0 |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: JH RET TO 2025 MANAGED PORT

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY USA

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0 |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: JH RET TO 2030 MANAGED PORT

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY USA

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0 |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: JH RET TO 2035 MANAGED PORT

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY USA

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0 |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: JH RET TO 2040 MANAGED PORT

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY USA

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0 |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: JH RET TO 2045 MANAGED PORT

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY USA

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0 |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: JH RET TO 2050 MANAGED PORT

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY USA

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0 |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: JH RET TO 2055 MANAGED PORT

**b** Name of sponsor of entity listed in (a): JOHN HANOCCK LIFE INSURANCE COMPANY USA

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0 |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: JH RET TO 2060 MANAGED PORT

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY USA

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0 |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: MID CAP INDEX FUND

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY USA

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0 |
|---|---|---|

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

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY USA

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0 |
|---|---|---|

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

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY USA

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0 |
|---|---|---|

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

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY USA

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0 |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: SMALL CAP INDEX FUND

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY USA

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0 |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: TOTAL BOND MARKET FUND

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY USA

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0 |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD GROWTH INDEX FUND

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY USA

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0 |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD MID-CAP GROWTH ETF

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY USA

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0 |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD MID-CAP VALUE ETF

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY USA

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0 |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD SMALL CAP GROWTH INDEX

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY USA

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0 |
|---|---|---|

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

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY USA

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0 |
|---|---|---|

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

# SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Financial Information

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

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

OMB No. 1210-0110

**2017**

**This Form is Open to Public Inspection**

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

**A** Name of plan
MONIQUE LHUILLIER, INC. 401(K) PROFIT SHARING PLAN

**B** Three-digit plan number (PN) ▶ 001

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

**D** Employer Identification Number (EIN)
95-4586383

## 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 | 2747 | 0 |
| **b** Receivables (less allowance for doubtful accounts): | | | |
| **(1)** Employer contributions | 1b(1) | 0 | 0 |
| **(2)** Participant contributions | 1b(2) | 0 | 0 |
| **(3)** Other | 1b(3) | 0 | 0 |
| **c** General investments: | | | |
| **(1)** Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | 0 | 6808 |
| **(2)** U.S. Government securities | 1c(2) | 0 | 0 |
| **(3)** Corporate debt instruments (other than employer securities): | | | |
| **(A)** Preferred | 1c(3)(A) | 0 | 0 |
| **(B)** All other | 1c(3)(B) | 0 | 0 |
| **(4)** Corporate stocks (other than employer securities): | | | |
| **(A)** Preferred | 1c(4)(A) | 0 | 0 |
| **(B)** Common | 1c(4)(B) | 0 | 0 |
| **(5)** Partnership/joint venture interests | 1c(5) | 0 | 0 |
| **(6)** Real estate (other than employer real property) | 1c(6) | 0 | 0 |
| **(7)** Loans (other than to participants) | 1c(7) | 0 | 0 |
| **(8)** Participant loans | 1c(8) | 38927 | 24288 |
| **(9)** Value of interest in common/collective trusts | 1c(9) | 0 | 0 |
| **(10)** Value of interest in pooled separate accounts | 1c(10) | 3154158 | 0 |
| **(11)** Value of interest in master trust investment accounts | 1c(11) | 0 | 0 |
| **(12)** Value of interest in 103-12 investment entities | 1c(12) | 0 | 0 |
| **(13)** Value of interest in registered investment companies (e.g., mutual funds) | 1c(13) | 0 | 3750713 |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | | |
| **(15)** Other | 1c(15) | 0 | 0 |

| | | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|---|
| **1d** | Employer-related investments: | | | |
| | **(1)** Employer securities | 1d(1) | 0 | 0 |
| | **(2)** Employer real property | 1d(2) | 0 | 0 |
| **e** | Buildings and other property used in plan operation | 1e | 0 | 0 |
| **f** | Total assets (add all amounts in lines 1a through 1e) | 1f | 3195832 | 3781809 |
| | **Liabilities** | | | |
| **g** | Benefit claims payable | 1g | 0 | 0 |
| **h** | Operating payables | 1h | 0 | 0 |
| **i** | Acquisition indebtedness | 1i | 0 | 0 |
| **j** | Other liabilities | 1j | 0 | 0 |
| **k** | Total liabilities (add all amounts in lines 1g through1j) | 1k | 0 | 0 |
| | **Net Assets** | | | |
| **l** | Net assets (subtract line 1k from line 1f) | 1l | 3195832 | 3781809 |

## Part II Income and Expense Statement

**2** Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

| | Income | | (a) Amount | (b) Total |
|---|---|---|---|---|
| **a** | **Contributions:** | | | |
| | **(1)** Received or receivable in cash from: **(A)** Employers | 2a(1)(A) | 0 | |
| | **(B)** Participants | 2a(1)(B) | 376078 | |
| | **(C)** Others (including rollovers) | 2a(1)(C) | 0 | |
| | **(2)** Noncash contributions | 2a(2) | 0 | |
| | **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 376078 |
| **b** | **Earnings on investments:** | | | |
| | **(1)** Interest: | | | |
| | **(A)** Interest-bearing cash (including money market accounts and certificates of deposit) | 2b(1)(A) | 21 | |
| | **(B)** U.S. Government securities | 2b(1)(B) | 0 | |
| | **(C)** Corporate debt instruments | 2b(1)(C) | 0 | |
| | **(D)** Loans (other than to participants) | 2b(1)(D) | 0 | |
| | **(E)** Participant loans | 2b(1)(E) | 1826 | |
| | **(F)** Other | 2b(1)(F) | 0 | |
| | **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 1847 |
| | **(2)** Dividends: **(A)** Preferred stock | 2b(2)(A) | 0 | |
| | **(B)** Common stock | 2b(2)(B) | 0 | |
| | **(C)** Registered investment company shares (e.g. mutual funds) | 2b(2)(C) | 99655 | |
| | **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | 99655 |
| | **(3)** Rents | 2b(3) | | 0 |
| | **(4)** Net gain (loss) on sale of assets: **(A)** Aggregate proceeds | 2b(4)(A) | 0 | |
| | **(B)** Aggregate carrying amount (see instructions) | 2b(4)(B) | 0 | |
| | **(C)** Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result | 2b(4)(C) | | 0 |
| | **(5)** Unrealized appreciation (depreciation) of assets: **(A)** Real estate | 2b(5)(A) | 0 | |
| | **(B)** Other | 2b(5)(B) | 0 | |
| | **(C)** Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)** | 2b(5)(C) | | 0 |

| | | (a) Amount | (b) Total |
|---|---|---|---|
| (6) Net investment gain (loss) from common/collective trusts | 2b(6) | | 0 |
| (7) Net investment gain (loss) from pooled separate accounts | 2b(7) | | 271871 |
| (8) Net investment gain (loss) from master trust investment accounts | 2b(8) | | 0 |
| (9) Net investment gain (loss) from 103-12 investment entities | 2b(9) | | 0 |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) | 2b(10) | | 186239 |
| c Other income | 2c | | -35 |
| d Total income. Add all **income** amounts in column (b) and enter total | 2d | | 935655 |
| **Expenses** | | | |
| e Benefit payment and payments to provide benefits: | | | |
| (1) Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 327277 | |
| (2) To insurance carriers for the provision of benefits | 2e(2) | 0 | |
| (3) Other | 2e(3) | 0 | |
| (4) Total benefit payments. Add lines **2e(1)** through **(3)** | 2e(4) | | 327277 |
| f Corrective distributions (see instructions) | 2f | | 19446 |
| g Certain deemed distributions of participant loans (see instructions) | 2g | | 0 |
| h Interest expense | 2h | | 0 |
| i Administrative expenses: (1) Professional fees | 2i(1) | 0 | |
| (2) Contract administrator fees | 2i(2) | 0 | |
| (3) Investment advisory and management fees | 2i(3) | 0 | |
| (4) Other | 2i(4) | 2955 | |
| (5) Total administrative expenses. Add lines **2i(1)** through **(4)** | 2i(5) | | 2955 |
| j Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 349678 |
| **Net Income and Reconciliation** | | | |
| k Net income (loss). Subtract line **2j** from line **2d** | 2k | | 585977 |
| l Transfers of assets: | | | |
| (1) To this plan | 2l(1) | | 0 |
| (2) From this plan | 2l(2) | | |

## Part III Accountant's Opinion

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

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

**(1)** [ ] Unqualified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

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

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

**(1)** Name: RICHARDSON KONTOGOURIS EMERSON LLP **(2)** EIN: 01-0871934

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

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

## Part IV Compliance Questions

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

During the plan year:

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

| | | | Yes | No | Amount |
|---|---|---|---|---|---|
| c | Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) | 4c | | X | |
| d | Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) | 4d | | X | |
| e | Was this plan covered by a fidelity bond? | 4e | X | | 320000 |
| f | Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | 4f | | X | |
| g | Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? | 4g | | X | |
| h | Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? | 4h | | X | |
| i | Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) | 4i | X | | |
| j | Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.) | 4j | | X | |
| k | Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? | 4k | | X | |
| l | Has the plan failed to provide any benefit when due under the plan? | 4l | | X | |
| m | If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) | 4m | X | | |
| n | If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. | 4n | X | | |

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

**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.)

# 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

**2017**

**This Form is Open to Public Inspection.**

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

**A** Name of plan
MONIQUE LHUILLIER, INC. 401(K) PROFIT SHARING PLAN

**B** Three-digit plan number (PN) ▶ 001

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

**D** Employer Identification Number (EIN)
95-4586383

## Part I Distributions

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

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

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

EIN(s): 04-6568107 01-0233346

**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

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

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

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

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

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

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

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

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

**a** Name of contributing employer

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

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

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

---

**a** Name of contributing employer

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

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

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

---

**a** Name of contributing employer

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

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

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

---

**a** Name of contributing employer

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

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

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

---

**a** Name of contributing employer

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

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

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

---

**a** Name of contributing employer

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

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

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

---

**a** Name of contributing employer

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

# MONIQUE LHUILLIER, INC. 401(K)
# PROFIT SHARING PLAN

**Financial Statements with Supplemental Schedule**
**and Independent Auditors' Report**

**December 31, 2017 and 2016**

rke RICHARDSON KONTOGOURIS EMERSON LLP
CERTIFIED PUBLIC ACCOUNTANTS

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RICHARDSON
KONTOGOURIS
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CERTIFIED PUBLIC ACCOUNTANTS

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Torrance, CA 90503
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# INDEPENDENT AUDITORS' REPORT

To the plan administrator of
Monique Lhuillier, Inc. 401(k) Profit Sharing Plan
Vernon, California

***Report on the financial statements***

We were engaged to audit the accompanying financial statements of Monique Lhuillier, Inc. 401(k) Profit Sharing Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2017 and 2016, and the related statement of changes in net assets available for benefits for the year ended December 31, 2017, and the related notes to the financial statements.

***Management's responsibility for the financial statements***

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

***Auditors' responsibility***

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matters 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 ("DOL") Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA"), the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 5, which was certified by John Hancock Life Insurance Company, the custodian of the Plan for 2016 and during 2017, and Fidelity Management Trust Company, the trustee of the Plan during 2017, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that John Hancock Life Insurance Company held the Plan's investment assets and executed investment transactions from January 1, 2016 to July 31, 2017, and that Fidelity Management Trust Company held the Plan's investment assets and executed investment transactions from August 1, 2017 to December 31, 2017. The plan administrator has obtained certifications from the custodian and trustee as of December 31, 2017 and 2016 and for the year ended December 31, 2017, that the information provided to the plan administrator by the custodian and trustee is complete and accurate.



Independent Member of GENEVA GROUP INTERNATIONAL

rke

*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 schedule*

The supplemental schedule of Schedule H, Part IV, Line 4(i) - Schedule of assets (held at end of year) as of December 31, 2017, is required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule referred to above.

*Report on form and content in compliance with DOL rules and regulations*

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

Richardson Kontogouris Emerson LLP

September 17, 2018



Independent Member of GENEVA GROUP INTERNATIONAL

**MONIQUE LHUILLIER, INC. 401(K) PROFIT SHARING PLAN**

**STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS**

**DECEMBER 31, 2017 AND 2016**

| | 2017 | 2016 |
|---|---|---|
| **ASSETS** | | |
| **NONINTEREST BEARING CASH** | $ - | $ 2,747 |
| **INVESTMENTS AT FAIR VALUE** | | |
| Mutual funds | 3,757,521 | - |
| Pooled separate accounts | - | 3,154,158 |
| | 3,757,521 | 3,154,158 |
| **NOTES RECEIVABLE FROM PARTICIPANTS** | 24,288 | 38,927 |
| **TOTAL ASSETS** | 3,781,809 | 3,195,832 |
| **LIABILITIES** | | |
| **EXCESS CONTRIBUTIONS PAYABLE** | 43,125 | 17,980 |
| **TOTAL LIABILITIES** | 43,125 | 17,980 |
| **NET ASSETS AVAILABLE FOR BENEFITS** | $ 3,738,684 | $ 3,177,852 |

**MONIQUE LHUILLIER, INC. 401(K) PROFIT SHARING PLAN**

**STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS**

**YEAR ENDED DECEMBER 31, 2017**

| | |
|---|---|
| **ADDITIONS TO NET ASSETS ATTRIBUTED TO:** | |
| Investment income: | |
| Net appreciation in fair value of investments | $ 458,075 |
| Interest and dividends | 99,676 |
| Total investment income | 557,751 |
| Interest income on notes receivable from participants | 1,826 |
| Participant contributions | 350,933 |
| Total additions | 910,510 |
| **DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:** | |
| Benefits paid to participants | 346,723 |
| Administrative expenses | 2,955 |
| Total deductions | 349,678 |
| Net change | 560,832 |
| **NET ASSETS AVAILABLE FOR BENEFITS** | |
| Beginning of year | 3,177,852 |
| End of year | $ 3,738,684 |

## NOTE 1 - DESCRIPTION OF PLAN

The following description of the Monique Lhuillier, Inc. 401(k) Profit Sharing Plan (the "Plan") is provided for general information purposes only. 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, established on January 1, 2006, covering the employees of Monique Lhuillier, Inc., (the "Company"). The Company is the plan sponsor and serves as the plan administrator and is responsible for oversight of the Plan as well as determining the appropriateness of the Plan's investment offerings and monitoring of investment performance. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA") and subsequent amendments. John Hancock Life Insurance Company ("John Hancock" or "Custodian") served as the Plan's custodian and record-keeper and Crown Benefits, Inc. was the third party administrator for the period January 1, 2017 through July 31, 2017. On August 1, 2017, at the discretion of the plan sponsor and plan administrator, all assets in the Plan and all custodian and record-keeper functions were transferred from John Hancock to Fidelity Management Trust Company ("Trustee") and Fidelity Workplace Services LLC as the record-keeper. The plan sponsor adopted the provisions of the Fidelity Basic Plan Document and executed an adoption agreement dated August 1, 2017. The Plan assets transferred to Fidelity were transferred into new funds offered.

### *Eligibility*

Prior to August 1, 2017, each employee was eligible to participate after the attainment of age 21 and the completion of 250 hours of service during the first three months of employment or the completion of one year of service. Effective August 1, 2017, each employee was eligible to participate after the attainment of age 21 and completion of three months of employment.

### *Contributions*

Each year, participants may contribute a percentage of their pre-tax annual compensation, as defined by the Plan, in an amount not in excess of the maximum allowed by the Internal Revenue Code ("IRC"). Participants may also contribute amounts representing rollover distributions from other qualified plans. Participants direct the investment of their separate accounts into various investment options offered by the Plan. The Plan offers several mutual funds as investment options for participants.

The Company, at its discretion, may make matching contributions annually. In addition, the Company may make discretionary profit share contributions to the Plan, which is divided among the participants eligible to share in that contribution for the Plan year as specified in the Plan documents and amendments. There were no employer discretionary contributions for the year ended December 31, 2017.

## NOTE 1 - DESCRIPTION OF PLAN (Continued)

***Contributions (continued)***

In addition, the Company may make qualified non-elective contributions ("QNEC"). A QNEC is a discretionary, fully vested contribution. The Company may direct that QNECs be allocated specifically to designated non-highly compensated employees in varying percentages of compensation as permitted by law.

***Participant accounts***

Separate accounts are maintained for each participant. Each participant's account is credited with his or her salary deferral contribution, an allocation of the Company's contribution and plan earnings. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. Participants may change their investment options at their discretion.

***Notes receivable from participants***

Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50% of their vested account balance. Loans to participants are collateralized by the participant's vested account balance and are subject to interest charges. Loan terms range from one to five years, except for loans used for the purchase of a primary residence, in which case may be for a period up to ten years. Interest rates applicable to participant loans are determined by the plan administrator. Loans outstanding at December 31, 2017 bore interest at rates ranging from 5.25% to 6.25% and loans outstanding at December 31, 2016 bore interest at rates ranging from 4.25% to 5.50%. Loans outstanding at December 31, 2017 mature through October 2021. Principal and interest are paid through payroll deductions.

***Vesting***

Participants are vested immediately in their contributions plus actual earnings thereon and in any qualified employer contributions.

Participants are vested in employer matching contributions and employer discretionary contributions subject to the graded vesting schedule as follows:

| Years of Service | Vested Percentage |
|---|---|
| Less than 2 years | 0% |
| 2 years | 20% |
| 3 years | 40% |
| 4 years | 60% |
| 5 years | 80% |
| 6 years or more | 100% |

A participant is entitled to 100% of his or her balance upon retirement, death or disability.

## NOTE 1 - DESCRIPTION OF PLAN (Continued)

### *Payment of benefits*

Upon distributable events such as death, disability, retirement, or termination of employment, a participant (or beneficiary) may elect to receive either a lump-sum amount equal to the value of the vested interest in the participants' account.

### *Hardship withdrawals*

A participant may be permitted to withdraw a portion or all of the balances of their individual account that is attributable to the participant's tax-deferred compensation and matching contributions for the reasons specified by and to the extent permitted under regulations issued by the Internal Revenue Service ("IRS").

### *Forfeited accounts*

Non-vested Company contributions forfeited by participants upon termination may be used to pay for plan expenses and then used to reduce future employer contributions. For the year ended December 31, 2017, there were no forfeitures used to offset plan expenses. As of December 31, 2017 and 2016, forfeited non-vested accounts available to offset future plan expenses or discretionary employer contributions totaled $6,808 and $2,747 respectively.

## NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### *Basis of accounting*

The financial statements of the Plan are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). References to the "ASC" hereafter refer to the Accounting Standards Codification established by the Financial Accounting Standards Board ("FASB") as the source of authoritative U.S. GAAP.

### *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 assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

## NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

***Investment valuation and income recognition***

The Plan's investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value measurements.

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

***Notes receivable from participants***

Notes receivable from participants are measured at their unpaid principal balance plus any accrued interest. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2017 or 2016. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

***Payment of benefits***

Benefits are recorded when paid.

***Excess contributions payable***

Excess contributions payable represents amounts refunded to participants after year-end to comply with regulatory and Plan contribution limitations.

***Plan expenses***

The Plan permits the payment of Plan expenses to be made from the Plan's assets. Certain non-investment costs and administrative expenses of the Plan are paid by the Company, which is a party-in-interest. These expenses are not reflected in the accompanying financial statements and constitute exempt party-in-interest transactions under ERISA.

## NOTE 3 - INVESTMENTS

The Plan assets were held by the Custodian and Trustee, pursuant to the agreements which provide all funds received by the Custodian and Trustee shall be held, administered, invested and distributed by the Custodian and Trustee, and that no part of the corpus or income shall be used for or directed to, purposes other than for the exclusive benefit of participants or their beneficiaries.

## NOTE 3 - INVESTMENTS (Continued)

In the Statement of Changes in Net Assets Available for Benefits, the Plan presents the net appreciation in the fair value of investments of $458,075, which consists of realized gains or losses, and unrealized market value change of investments.

## NOTE 4 - 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 ASC 820, *Fair Value Measurements and Disclosures* are described as follows:

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

Level 2 - Inputs to the valuation methodology include:

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

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

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

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

## NOTE 4 - FAIR VALUE MEASUREMENTS (Continued)

The following is a description of the valuation methodologies used for assets measured at fair value.

*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 Securities and Exchange Commission. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

*Pooled separate accounts:* The fair values of participation units held in pooled separate accounts are based on their net asset values reported by the fund managers as of the financial statements dates and recent transaction prices. Each of the subaccounts of the John Hancock Life Insurance Company Pooled Separate Accounts invests in a single, open-ended mutual fund which is generally identified in the name of the pooled separate account sub-account. Each pooled separate sub-account provides for daily redemptions by the Plan with no advance notice requirements, and has redemption prices that are determined by the fund's net asset value per unit.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in different fair value measurements 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, 2017:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Mutual funds | $ 3,757,521 | $ - | $ - | $ 3,757,521 |

As of December 31, 2016, all fair value investments were valued using net asset value practical expedient, and accordingly, no hierarchy table was presented.

## NOTE 5 - INFORMATION PREPARED AND CERTIFIED BY CUSTODIAN AND TRUSTEE

The following unaudited information in the financial statements was certified to be complete and accurate by the Custodian and Trustee of the Plan's assets, within the meaning of 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for reporting and disclosure under ERISA:

- All amounts included as investments and notes receivable from participants in the Statements of Net Assets Available for Benefits as of December 31, 2017 and 2016;

- Net appreciation in fair value of investments, interest, and dividends for the year ended December 31, 2017 included in the Statement of Changes in Net Assets Available for Benefits; and

- All information in the Supplemental Schedule of Assets (held at end of year) as of December 31, 2017.

## NOTE 6 - PLAN TERMINATION

Although it is currently the intent of the Company to continue the Plan, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan, subject to the provisions of ERISA. In the event of Plan termination, participants become 100% vested in their accounts.

## NOTE 7 - TAX STATUS

The Plan document is a volume submitter profit sharing plan that received a favorable opinion letter from the IRS on March 31, 2014, which stated that the Plan was in accordance with applicable sections of the IRC. Although the Plan has been amended since receiving the determination 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 and therefore believe that the Plan is qualified and the related trust is tax-exempt.

U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2017, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements.

The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2014.

## NOTE 8 - RISKS AND UNCERTAINTIES

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

## NOTE 9 - RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

Parties-in-interest are defined under the DOL regulations as any fiduciary of the Plan, any party rendering service to the Plan, the employer, and certain others. Plan investments are managed by the Custodian and Trustee. Transactions with the Custodian and Trustee qualify as party-in-interest transactions. Notes receivable from participants also reflect party-in-interest transactions.

Certain administrative functions are performed by affiliates or employees of the Company. No such affiliate receives compensation from the Plan. Some administrative expenses of the Plan are paid directly by the Company. The administrative fees paid by the Plan include, account fees which are charged to participants and third party fees for plan administration.

## NOTE 10 - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

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

| | 2017 | 2016 |
|---|---|---|
| Net assets available for benefits per the financial statements | $ 3,738,684 | $ 3,177,852 |
| Add: Excess contributions payable | 43,125 | 17,980 |
| Net assets available for benefits per Schedule H, Form 5500 | $ 3,781,809 | $ 3,195,832 |

The following is a reconciliation of the change in net assets available for benefits per the financial statements to the Form 5500 for the year ended December 31, 2017:

| | |
|---|---|
| Net change per the financial statements | $ 560,832 |
| Add: Excess contributions payable at December 31, 2017 | 43,125 |
| Less: Excess contributions payable at December 31, 2016 | (17,980) |
| Net change per Schedule H, Form 5500 | $ 585,977 |

## NOTE 11 - SUBSEQUENT EVENTS

Subsequent events have been evaluated by the Plan through September 17, 2018, which is the date the financial statements were available to be issued.

# SUPPLEMENTAL SCHEDULE

**MONIQUE LHUILLIER, INC. 401(K) PROFIT SHARING PLAN**
**EIN: 95-4586383**
**PLAN NUMBER: 001**

**SCHEDULE H, PART IV, LINE 4(i)**
**SCHEDULE OF ASSETS (HELD AT END OF YEAR)**
**DECEMBER 31, 2017**

| (a) | (b) Identity of issuer, borrower, lessor or similar party | (c) Description of investment, including maturity date, rate of interest, collateral, and par or maturity value | (d) Cost | (e) Current value |
|---|---|---|---|---|
| * | Fidelity | Fidelity 500 Index Fund - Premium Class | ** | $ 377,423 |
| * | Fidelity | Fidelity Blue Chip Growth Fund | ** | 10,675 |
| * | Fidelity | Fidelity Emerging Markets Fund | ** | 386 |
| * | Fidelity | Fidelity Freedom 2010 Fund | ** | 34,266 |
| * | Fidelity | Fidelity Freedom 2015 Fund | ** | 205,991 |
| * | Fidelity | Fidelity Freedom 2020 Fund | ** | 558,737 |
| * | Fidelity | Fidelity Freedom 2025 Fund | ** | 371,068 |
| * | Fidelity | Fidelity Freedom 2030 Fund | ** | 391,558 |
| * | Fidelity | Fidelity Freedom 2035 Fund | ** | 784,230 |
| * | Fidelity | Fidelity Freedom 2040 Fund | ** | 4,679 |
| * | Fidelity | Fidelity Freedom 2045 Fund | ** | 430,167 |
| * | Fidelity | Fidelity Freedom 2050 Fund | ** | 322,607 |
| * | Fidelity | Fidelity Freedom 2055 Fund | ** | 39,716 |
| * | Fidelity | Fidelity Freedom 2060 Fund | ** | 11,450 |
| * | Fidelity | Fidelity Government Money Market Fund | ** | 6,808 |
| * | Fidelity | Fidelity International Index Fund - Premium Class | ** | 607 |
| * | Fidelity | Fidelity International Small Cap Fund | ** | 28,327 |
| * | Fidelity | Fidelity Limited Term Bond Fund | ** | 591 |
| * | Fidelity | Fidelity Mid Cap Index Fund - Premium Class | ** | 50,717 |
| * | Fidelity | Fidelity Mid Cap Value Fund | ** | 232 |
| * | Fidelity | Fidelity Overseas Fund | ** | 21,757 |
| * | Fidelity | Fidelity Select Retailing Portfolio | ** | 6,363 |
| * | Fidelity | Fidelity Select Software and IT Services Portfolio | ** | 29,935 |
| * | Fidelity | Fidelity Small Cap Growth Fund | ** | 51,883 |
| * | Fidelity | Fidelity Total Bond Fund | ** | 15,474 |
| * | Fidelity | Fidelity U.S. Bond Index Fund - Premium Class | ** | 741 |
| | Invesco | Invesco Diversified Dividend Fund R5 Class | ** | 903 |
| | Wells Fargo | Wells Fargo Special Small Cap Value Fund - Class Admin | ** | 230 |
| * | Participant loans | Interest rate ranging from 5.25% to 6.25% maturing through October 2021 | | 24,288 |
| | | | | $ 3,781,809 |

* Parties-in-interest.
** Information is not required as investments are participant directed.

# MONIQUE LHUILLIER, INC. 401(K)
# PROFIT SHARING PLAN

**Financial Statements with Supplemental Schedule**
**and Independent Auditors' Report**

**December 31, 2017 and 2016**

rke RICHARDSON KONTOGOURIS EMERSON LLP
CERTIFIED PUBLIC ACCOUNTANTS

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CERTIFIED PUBLIC ACCOUNTANTS

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Torrance, CA 90503
Phone (310) 527-4550
Fax (310) 527-4549

# INDEPENDENT AUDITORS' REPORT

To the plan administrator of
Monique Lhuillier, Inc. 401(k) Profit Sharing Plan
Vernon, California

***Report on the financial statements***

We were engaged to audit the accompanying financial statements of Monique Lhuillier, Inc. 401(k) Profit Sharing Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2017 and 2016, and the related statement of changes in net assets available for benefits for the year ended December 31, 2017, and the related notes to the financial statements.

***Management's responsibility for the financial statements***

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

***Auditors' responsibility***

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matters 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 ("DOL") Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA"), the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 5, which was certified by John Hancock Life Insurance Company, the custodian of the Plan for 2016 and during 2017, and Fidelity Management Trust Company, the trustee of the Plan during 2017, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that John Hancock Life Insurance Company held the Plan's investment assets and executed investment transactions from January 1, 2016 to July 31, 2017, and that Fidelity Management Trust Company held the Plan's investment assets and executed investment transactions from August 1, 2017 to December 31, 2017. The plan administrator has obtained certifications from the custodian and trustee as of December 31, 2017 and 2016 and for the year ended December 31, 2017, that the information provided to the plan administrator by the custodian and trustee is complete and accurate.



Independent Member of GENEVA GROUP INTERNATIONAL

rke

*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 schedule*

The supplemental schedule of Schedule H, Part IV, Line 4(i) - Schedule of assets (held at end of year) as of December 31, 2017, is required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule referred to above.

*Report on form and content in compliance with DOL rules and regulations*

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

Richardson Kontogouris Emerson LLP

September 17, 2018



Independent Member of GENEVA GROUP INTERNATIONAL

**MONIQUE LHUILLIER, INC. 401(K) PROFIT SHARING PLAN**

**STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS**

**DECEMBER 31, 2017 AND 2016**

| | 2017 | 2016 |
|---|---|---|
| **ASSETS** | | |
| **NONINTEREST BEARING CASH** | $ - | $ 2,747 |
| **INVESTMENTS AT FAIR VALUE** | | |
| Mutual funds | 3,757,521 | - |
| Pooled separate accounts | - | 3,154,158 |
| | 3,757,521 | 3,154,158 |
| **NOTES RECEIVABLE FROM PARTICIPANTS** | 24,288 | 38,927 |
| **TOTAL ASSETS** | 3,781,809 | 3,195,832 |
| **LIABILITIES** | | |
| **EXCESS CONTRIBUTIONS PAYABLE** | 43,125 | 17,980 |
| **TOTAL LIABILITIES** | 43,125 | 17,980 |
| **NET ASSETS AVAILABLE FOR BENEFITS** | $ 3,738,684 | $ 3,177,852 |

**MONIQUE LHUILLIER, INC. 401(K) PROFIT SHARING PLAN**

**STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS**

**YEAR ENDED DECEMBER 31, 2017**

| | |
|---|---|
| **ADDITIONS TO NET ASSETS ATTRIBUTED TO:** | |
| Investment income: | |
| Net appreciation in fair value of investments | $ 458,075 |
| Interest and dividends | 99,676 |
| Total investment income | 557,751 |
| Interest income on notes receivable from participants | 1,826 |
| Participant contributions | 350,933 |
| Total additions | 910,510 |
| **DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:** | |
| Benefits paid to participants | 346,723 |
| Administrative expenses | 2,955 |
| Total deductions | 349,678 |
| Net change | 560,832 |
| **NET ASSETS AVAILABLE FOR BENEFITS** | |
| Beginning of year | 3,177,852 |
| End of year | $ 3,738,684 |

## NOTE 1 - DESCRIPTION OF PLAN

The following description of the Monique Lhuillier, Inc. 401(k) Profit Sharing Plan (the "Plan") is provided for general information purposes only. 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, established on January 1, 2006, covering the employees of Monique Lhuillier, Inc., (the "Company"). The Company is the plan sponsor and serves as the plan administrator and is responsible for oversight of the Plan as well as determining the appropriateness of the Plan's investment offerings and monitoring of investment performance. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA") and subsequent amendments. John Hancock Life Insurance Company ("John Hancock" or "Custodian") served as the Plan's custodian and record-keeper and Crown Benefits, Inc. was the third party administrator for the period January 1, 2017 through July 31, 2017. On August 1, 2017, at the discretion of the plan sponsor and plan administrator, all assets in the Plan and all custodian and record-keeper functions were transferred from John Hancock to Fidelity Management Trust Company ("Trustee") and Fidelity Workplace Services LLC as the record-keeper. The plan sponsor adopted the provisions of the Fidelity Basic Plan Document and executed an adoption agreement dated August 1, 2017. The Plan assets transferred to Fidelity were transferred into new funds offered.

### *Eligibility*

Prior to August 1, 2017, each employee was eligible to participate after the attainment of age 21 and the completion of 250 hours of service during the first three months of employment or the completion of one year of service. Effective August 1, 2017, each employee was eligible to participate after the attainment of age 21 and completion of three months of employment.

### *Contributions*

Each year, participants may contribute a percentage of their pre-tax annual compensation, as defined by the Plan, in an amount not in excess of the maximum allowed by the Internal Revenue Code ("IRC"). Participants may also contribute amounts representing rollover distributions from other qualified plans. Participants direct the investment of their separate accounts into various investment options offered by the Plan. The Plan offers several mutual funds as investment options for participants.

The Company, at its discretion, may make matching contributions annually. In addition, the Company may make discretionary profit share contributions to the Plan, which is divided among the participants eligible to share in that contribution for the Plan year as specified in the Plan documents and amendments. There were no employer discretionary contributions for the year ended December 31, 2017.

## NOTE 1 - DESCRIPTION OF PLAN (Continued)

***Contributions (continued)***

In addition, the Company may make qualified non-elective contributions ("QNEC"). A QNEC is a discretionary, fully vested contribution. The Company may direct that QNECs be allocated specifically to designated non-highly compensated employees in varying percentages of compensation as permitted by law.

***Participant accounts***

Separate accounts are maintained for each participant. Each participant's account is credited with his or her salary deferral contribution, an allocation of the Company's contribution and plan earnings. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. Participants may change their investment options at their discretion.

***Notes receivable from participants***

Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50% of their vested account balance. Loans to participants are collateralized by the participant's vested account balance and are subject to interest charges. Loan terms range from one to five years, except for loans used for the purchase of a primary residence, in which case may be for a period up to ten years. Interest rates applicable to participant loans are determined by the plan administrator. Loans outstanding at December 31, 2017 bore interest at rates ranging from 5.25% to 6.25% and loans outstanding at December 31, 2016 bore interest at rates ranging from 4.25% to 5.50%. Loans outstanding at December 31, 2017 mature through October 2021. Principal and interest are paid through payroll deductions.

***Vesting***

Participants are vested immediately in their contributions plus actual earnings thereon and in any qualified employer contributions.

Participants are vested in employer matching contributions and employer discretionary contributions subject to the graded vesting schedule as follows:

| Years of Service | Vested Percentage |
|---|---|
| Less than 2 years | 0% |
| 2 years | 20% |
| 3 years | 40% |
| 4 years | 60% |
| 5 years | 80% |
| 6 years or more | 100% |

A participant is entitled to 100% of his or her balance upon retirement, death or disability.

## NOTE 1 - DESCRIPTION OF PLAN (Continued)

### *Payment of benefits*

Upon distributable events such as death, disability, retirement, or termination of employment, a participant (or beneficiary) may elect to receive either a lump-sum amount equal to the value of the vested interest in the participants' account.

### *Hardship withdrawals*

A participant may be permitted to withdraw a portion or all of the balances of their individual account that is attributable to the participant's tax-deferred compensation and matching contributions for the reasons specified by and to the extent permitted under regulations issued by the Internal Revenue Service ("IRS").

### *Forfeited accounts*

Non-vested Company contributions forfeited by participants upon termination may be used to pay for plan expenses and then used to reduce future employer contributions. For the year ended December 31, 2017, there were no forfeitures used to offset plan expenses. As of December 31, 2017 and 2016, forfeited non-vested accounts available to offset future plan expenses or discretionary employer contributions totaled $6,808 and $2,747 respectively.

## NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### *Basis of accounting*

The financial statements of the Plan are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). References to the "ASC" hereafter refer to the Accounting Standards Codification established by the Financial Accounting Standards Board ("FASB") as the source of authoritative U.S. GAAP.

### *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 assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

## NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

***Investment valuation and income recognition***

The Plan's investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value measurements.

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

***Notes receivable from participants***

Notes receivable from participants are measured at their unpaid principal balance plus any accrued interest. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2017 or 2016. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

***Payment of benefits***

Benefits are recorded when paid.

***Excess contributions payable***

Excess contributions payable represents amounts refunded to participants after year-end to comply with regulatory and Plan contribution limitations.

***Plan expenses***

The Plan permits the payment of Plan expenses to be made from the Plan's assets. Certain non-investment costs and administrative expenses of the Plan are paid by the Company, which is a party-in-interest. These expenses are not reflected in the accompanying financial statements and constitute exempt party-in-interest transactions under ERISA.

## NOTE 3 - INVESTMENTS

The Plan assets were held by the Custodian and Trustee, pursuant to the agreements which provide all funds received by the Custodian and Trustee shall be held, administered, invested and distributed by the Custodian and Trustee, and that no part of the corpus or income shall be used for or directed to, purposes other than for the exclusive benefit of participants or their beneficiaries.

## NOTE 3 - INVESTMENTS (Continued)

In the Statement of Changes in Net Assets Available for Benefits, the Plan presents the net appreciation in the fair value of investments of $458,075, which consists of realized gains or losses, and unrealized market value change of investments.

## NOTE 4 - 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 ASC 820, *Fair Value Measurements and Disclosures* are described as follows:

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

Level 2 - Inputs to the valuation methodology include:

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

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

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

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

## NOTE 4 - FAIR VALUE MEASUREMENTS (Continued)

The following is a description of the valuation methodologies used for assets measured at fair value.

*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 Securities and Exchange Commission. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

*Pooled separate accounts:* The fair values of participation units held in pooled separate accounts are based on their net asset values reported by the fund managers as of the financial statements dates and recent transaction prices. Each of the subaccounts of the John Hancock Life Insurance Company Pooled Separate Accounts invests in a single, open-ended mutual fund which is generally identified in the name of the pooled separate account sub-account. Each pooled separate sub-account provides for daily redemptions by the Plan with no advance notice requirements, and has redemption prices that are determined by the fund's net asset value per unit.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in different fair value measurements 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, 2017:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Mutual funds | $ 3,757,521 | $ - | $ - | $ 3,757,521 |

As of December 31, 2016, all fair value investments were valued using net asset value practical expedient, and accordingly, no hierarchy table was presented.

## NOTE 5 - INFORMATION PREPARED AND CERTIFIED BY CUSTODIAN AND TRUSTEE

The following unaudited information in the financial statements was certified to be complete and accurate by the Custodian and Trustee of the Plan's assets, within the meaning of 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for reporting and disclosure under ERISA:

- All amounts included as investments and notes receivable from participants in the Statements of Net Assets Available for Benefits as of December 31, 2017 and 2016;

- Net appreciation in fair value of investments, interest, and dividends for the year ended December 31, 2017 included in the Statement of Changes in Net Assets Available for Benefits; and

- All information in the Supplemental Schedule of Assets (held at end of year) as of December 31, 2017.

## NOTE 6 - PLAN TERMINATION

Although it is currently the intent of the Company to continue the Plan, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan, subject to the provisions of ERISA. In the event of Plan termination, participants become 100% vested in their accounts.

## NOTE 7 - TAX STATUS

The Plan document is a volume submitter profit sharing plan that received a favorable opinion letter from the IRS on March 31, 2014, which stated that the Plan was in accordance with applicable sections of the IRC. Although the Plan has been amended since receiving the determination 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 and therefore believe that the Plan is qualified and the related trust is tax-exempt.

U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2017, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements.

The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2014.

## NOTE 8 - RISKS AND UNCERTAINTIES

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

## NOTE 9 - RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

Parties-in-interest are defined under the DOL regulations as any fiduciary of the Plan, any party rendering service to the Plan, the employer, and certain others. Plan investments are managed by the Custodian and Trustee. Transactions with the Custodian and Trustee qualify as party-in-interest transactions. Notes receivable from participants also reflect party-in-interest transactions.

Certain administrative functions are performed by affiliates or employees of the Company. No such affiliate receives compensation from the Plan. Some administrative expenses of the Plan are paid directly by the Company. The administrative fees paid by the Plan include, account fees which are charged to participants and third party fees for plan administration.

## NOTE 10 - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

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

| | 2017 | 2016 |
|---|---|---|
| Net assets available for benefits per the financial statements | $ 3,738,684 | $ 3,177,852 |
| Add: Excess contributions payable | 43,125 | 17,980 |
| Net assets available for benefits per Schedule H, Form 5500 | $ 3,781,809 | $ 3,195,832 |

The following is a reconciliation of the change in net assets available for benefits per the financial statements to the Form 5500 for the year ended December 31, 2017:

| | |
|---|---|
| Net change per the financial statements | $ 560,832 |
| Add: Excess contributions payable at December 31, 2017 | 43,125 |
| Less: Excess contributions payable at December 31, 2016 | (17,980) |
| Net change per Schedule H, Form 5500 | $ 585,977 |

## NOTE 11 - SUBSEQUENT EVENTS

Subsequent events have been evaluated by the Plan through September 17, 2018, which is the date the financial statements were available to be issued.

# SUPPLEMENTAL SCHEDULE

**MONIQUE LHUILLIER, INC. 401(K) PROFIT SHARING PLAN**
**EIN: 95-4586383**
**PLAN NUMBER: 001**

**SCHEDULE H, PART IV, LINE 4(i)**
**SCHEDULE OF ASSETS (HELD AT END OF YEAR)**
**DECEMBER 31, 2017**

| (a) | (b) Identity of issuer, borrower, lessor or similar party | (c) Description of investment, including maturity date, rate of interest, collateral, and par or maturity value | (d) Cost | (e) Current value |
|---|---|---|---|---|
| * | Fidelity | Fidelity 500 Index Fund - Premium Class | ** | $ 377,423 |
| * | Fidelity | Fidelity Blue Chip Growth Fund | ** | 10,675 |
| * | Fidelity | Fidelity Emerging Markets Fund | ** | 386 |
| * | Fidelity | Fidelity Freedom 2010 Fund | ** | 34,266 |
| * | Fidelity | Fidelity Freedom 2015 Fund | ** | 205,991 |
| * | Fidelity | Fidelity Freedom 2020 Fund | ** | 558,737 |
| * | Fidelity | Fidelity Freedom 2025 Fund | ** | 371,068 |
| * | Fidelity | Fidelity Freedom 2030 Fund | ** | 391,558 |
| * | Fidelity | Fidelity Freedom 2035 Fund | ** | 784,230 |
| * | Fidelity | Fidelity Freedom 2040 Fund | ** | 4,679 |
| * | Fidelity | Fidelity Freedom 2045 Fund | ** | 430,167 |
| * | Fidelity | Fidelity Freedom 2050 Fund | ** | 322,607 |
| * | Fidelity | Fidelity Freedom 2055 Fund | ** | 39,716 |
| * | Fidelity | Fidelity Freedom 2060 Fund | ** | 11,450 |
| * | Fidelity | Fidelity Government Money Market Fund | ** | 6,808 |
| * | Fidelity | Fidelity International Index Fund - Premium Class | ** | 607 |
| * | Fidelity | Fidelity International Small Cap Fund | ** | 28,327 |
| * | Fidelity | Fidelity Limited Term Bond Fund | ** | 591 |
| * | Fidelity | Fidelity Mid Cap Index Fund - Premium Class | ** | 50,717 |
| * | Fidelity | Fidelity Mid Cap Value Fund | ** | 232 |
| * | Fidelity | Fidelity Overseas Fund | ** | 21,757 |
| * | Fidelity | Fidelity Select Retailing Portfolio | ** | 6,363 |
| * | Fidelity | Fidelity Select Software and IT Services Portfolio | ** | 29,935 |
| * | Fidelity | Fidelity Small Cap Growth Fund | ** | 51,883 |
| * | Fidelity | Fidelity Total Bond Fund | ** | 15,474 |
| * | Fidelity | Fidelity U.S. Bond Index Fund - Premium Class | ** | 741 |
| | Invesco | Invesco Diversified Dividend Fund R5 Class | ** | 903 |
| | Wells Fargo | Wells Fargo Special Small Cap Value Fund - Class Admin | ** | 230 |
| * | Participant loans | Interest rate ranging from 5.25% to 6.25% maturing through October 2021 | | 24,288 |
| | | | | $ 3,781,809 |

* Parties-in-interest.
** Information is not required as investments are participant directed.