

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
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Part I	Annual Report Identification Information
For calendar plan year 2017 or fiscal plan year beginning <u>01/01/2017</u> and ending <u>12/31/2017</u>	
A This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report ☐ the final return/report ☒ an amended return/report ☐ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)

Part II	Basic Plan Information—enter all requested information				
1a Name of plan <u>SUPPLY CHAIN PUERTO RICO RETIREMENT PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>04/01/2006</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>04/01/2006</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>04/01/2006</u>					
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>DIMALSA LOGISTICS CORP</u> <u>570 POLARIS PARKWAY</u> <u>WESTERVILLE, OH 43082</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>66-0536099</u></td> </tr> <tr> <td>2c Plan Sponsor's telephone number <u>787-788-7126</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>488990</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>66-0536099</u>	2c Plan Sponsor's telephone number <u>787-788-7126</u>	2d Business code (see instructions) <u>488990</u>	
2b Employer Identification Number (EIN) <u>66-0536099</u>					
2c Plan Sponsor's telephone number <u>787-788-7126</u>					
2d Business code (see instructions) <u>488990</u>					

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	07/12/2019	SANDRA FAULKNER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	07/12/2019	SANDRA FAULKER
	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

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

Form 5500 (2017)
v. 170203

3a Plan administrator's name and address ☐ Same as Plan Sponsor DIMALSA LOGISTICS CORP ROYAL INDUSTRIAL PARK CARR 869 KM 1.5 EDIFICIO T CATANO, PR 00962	3b Administrator's EIN 66-0536099 3c Administrator's telephone number 787-788-7126
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	5 136
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) 136
a(2) Total number of active participants at the end of the plan year	6a(2) 150
b Retired or separated participants receiving benefits	6b
c Other retired or separated participants entitled to future benefits	6c
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 150
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	6e
f Total. Add lines 6d and 6e	6f 150
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g 94
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6h
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2G 2J 3C	
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1) ☒ **R** (Retirement Plan Information)
- (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3) ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

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

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

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

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

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

11c Enter the Receipt Confirmation Code for the 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 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 <u>01/01/2017</u> and ending <u>12/31/2017</u>		
A Name of plan <u>SUPPLY CHAIN PUERTO RICO RETIREMENT PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>DIMALSA LOGISTICS CORP</u>	D Employer Identification Number (EIN) <u>66-0536099</u>	

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
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	Total noninterest-bearing cash	1a	3771	5336
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions	1b(1)	0	482
	(2) Participant contributions	1b(2)	0	963
	(3) Other.....	1b(3)	0	0
c	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	28183	30709
	(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)	0	0
	(9) Value of interest in common/collective trusts.....	1c(9)	0	0
	(10) Value of interest in pooled separate accounts.....	1c(10)	0	0
	(11) Value of interest in master trust investment accounts	1c(11)	0	0
	(12) Value of interest in 103-12 investment entities	1c(12)	0	0
	(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	666935	771324
	(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	0	0
	(15) Other	1c(15)	0	0

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(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	698889	808814

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 through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	698889	808814
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Part II Income and Expense Statement

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

Income

a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	47125	
(B) Participants	2a(1)(B)	105067	
(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)		152192
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	0	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments.....	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans.....	2b(1)(E)	0	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0
(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)	24363	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		
(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)		
(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)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		102976
c Other income	2c		0
d Total income. Add all income amounts in column (b) and enter total.....	2d		279531

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	168206	
(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)		168206
f Corrective distributions (see instructions)	2f		0
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)	1400	
(3) Investment advisory and management fees	2i(3)	0	
(4) Other	2i(4)	0	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		1400
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		169606

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		109925
l Transfers of assets:			
(1) To this plan.....	2l(1)		0
(2) From this plan	2l(2)		0

Part III Accountant's Opinion

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

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

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

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☒ Yes ☐ No

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

(1) Name: CLARK, SCAEFER, HACKETT & CO

(2) EIN: 31-0800053

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

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

Part IV Compliance Questions

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

During the plan year:

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

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

	Yes	No	Amount
4a		X	
4b		X	

		Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e Was this plan covered by a fidelity bond?	4e	X		80800
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			

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 SUPPLY CHAIN PUERTO RICO RETIREMENT PLAN		B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 DIMALSA LOGISTICS CORP		D Employer Identification Number (EIN) 66-0536099
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 3014
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): 75-3182674		
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 1
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		
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.		
Schedule R (Form 5500) 2017 v. 170203		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- a** Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%
- b** Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more
- c** What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

Supply Chain Puerto Rico Retirement Plan

Financial Statements and Supplemental Schedule

December 31, 2017 and 2016

(with Independent Auditors' Report)

TABLE OF CONTENTS

Independent Auditors' Report	1-2
Financial Statements:	
Statements of Net Assets Available for Benefits	3
Statement of Changes in Net Assets Available for Benefits	4
Notes to the Financial Statements	5-9
Supplemental Schedule -	
Schedule H, line 4i - Schedule of Assets (Held at End of Year)	10

INDEPENDENT AUDITORS' REPORT

To the Participants and DHL Supply Chain NA Compensation & Benefits Committee
Supply Chain Puerto Rico Retirement Plan
Westerville, Ohio

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Supply Chain Puerto Rico Retirement 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 matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by MG Trust Company, the custodian of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the custodian as of December 31, 2017 and 2016 and for the year ended December 31, 2017, that the information provided to the plan administrator by the custodian is complete and accurate.

Disclaimer of Opinion

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

Other Matter

The supplemental schedule of assets (held at end of year) as of December 31, 2017 is required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on this supplemental schedule.

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

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

Clark, Schaefer, Hackett & Co.

Columbus, Ohio
October 12, 2018

Supply Chain Puerto Rico Retirement Plan
Statements of Net Assets Available for Benefits
December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Assets:		
Non interest-bearing cash	\$ <u>5,336</u>	<u>3,771</u>
Investments, at fair value:		
Mutual funds	771,324	666,935
Money market	<u>30,709</u>	<u>28,183</u>
	<u>802,033</u>	<u>695,118</u>
Receivables:		
Employer contributions	482	-
Employee contributions	<u>963</u>	<u>-</u>
	<u>1,445</u>	<u>-</u>
Net assets available for benefits	\$ <u>808,814</u>	<u>698,889</u>

See accompanying notes to the financial statements.

Supply Chain Puerto Rico Retirement Plan
Statement of Changes in Net Assets Available for Benefits
Year Ended December 31, 2017

Additions:

Investment activity:

Interest and dividend income	\$ 24,363
Net appreciation in fair value of investments	<u>102,976</u>
	<u>127,339</u>

Contributions:

Employer	47,125
Employee	<u>105,067</u>
	<u>152,192</u>

Total additions	<u>279,531</u>
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Deductions:

Benefits paid to participants	168,206
Administrative expenses	<u>1,400</u>

Total deductions	<u>169,606</u>
------------------	----------------

Net increase	109,925
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Net assets available for benefits:

Beginning of year	<u>698,889</u>
End of year	\$ <u><u>808,814</u></u>

See accompanying notes to the financial statements.

1. DESCRIPTION OF PLAN:

The following description of the Supply Chain Puerto Rico Retirement Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan, which began on April 1, 2006, and was last restated January 1, 2012, is a defined contribution plan covering all employees who are employed by Dimalsa Logistics Corp, (the Employer) and who meet the service and age requirements. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Eligibility

All associates, excluding leased employees or independent contractors, who are residents of Puerto Rico and not subject to a collective bargaining agreement, who have attained twenty-one years of age are eligible to participate in the Plan. Employees may enter the Plan on the first day of the quarter immediately after meeting Plan eligibility requirements.

Contributions

Participant contributions – Participants may elect to defer up to 75% of eligible compensation, as defined. Participants direct Plan contributions in 1% increments to any of the Plan's investment fund options. The participants' elective deferrals are not taxed as compensation in the year of deferral. Participants may also make rollover contributions which represent distributions from other qualified defined benefit or contribution plans.

Employer matching contributions – The Employer will make matching contributions equal to 50% of compensation deferred by the participant, up to a total of \$3,000 matching contributions per participant per year.

Contributions are subject to limitations on annual additions and other limitations imposed by the Puerto Rico Internal Revenue Code (PRIRC) as defined in the Plan agreement.

Participant accounts

Each participant's account is credited with the participant's contributions, Employer matching, and earnings and losses thereon. The Plan's investments are participant-directed.

Vesting

All participants are 100% vested in elective deferrals and rollover contributions. Participants are 25% vested after two years, 50% vested after three years, 75% vested after four years and fully vested after five years of service in Employer matching contributions.

Administrative expenses

Certain expenses incurred in the administration of the Plan are paid by the Employer and are excluded from these financial statements. Investment related fees are included in net appreciation in fair value of investments. Fees related to participant directed transactions are charged directly to the participant's account and are included in administrative expenses.

Payment of benefits

On termination of service, death, total or permanent disability, or retirement, a participant may receive a lump sum amount equal to the value of his or her account. Normal retirement is age 60. The nonvested portion of the account is treated as a forfeiture. Hardship withdrawals are permitted, as defined.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The following accounting principles and practices of the Plan are set forth to facilitate the understanding of data presented in the financial statements:

Basis of accounting

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

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

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. The Plan's Compensation & Benefits Committee determines the Plan's valuation policies utilizing information provided by the investment advisors and custodian. See Note 4 for discussion of fair value measurements.

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

Contributions

Employee deferrals are recognized when withheld from a participant's pay, and Employer matching contributions are recognized at the same time.

Payment of benefits

Benefits are recorded when paid.

Accounting changes

The Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2015-12, "Plan Accounting: Defined Contribution Pension Plans (Topic 962): (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, and (Part III) Measurement Date – Practical Expedient." ASU 2015-12 simplifies disclosures and reporting by employee benefit plans. ASU 2015-12 is effective for fiscal years beginning after December 15, 2015. The Plan elected to adopt Part I and II of ASU 2015-12 in 2016.

Subsequent events

The Plan evaluates events and transactions occurring subsequent to the date of the financial statements for matters requiring recognition or disclosure in the financial statements. The Plan has evaluated subsequent events through October 12, 2018, the date that the financial statements were available to be issued.

3. INFORMATION PREPARED AND CERTIFIED BY CUSTODIAN:

The following information included in the accompanying financial statements and supplemental schedule as of December 31, 2017 and 2016 and for the year ended December 31, 2017 was obtained from data that has been prepared and certified to as complete and accurate by MG Trust Company d.b.a Matrix Trust Company (Matrix), the custodian as defined by the Plan:

Investments
Net appreciation in fair value of investments
Interest and dividend income
Assets held at the end of year

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 the active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are described below:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.
- Level 2 Inputs to the valuation methodology include:
 - Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets or liabilities in inactive markets;
 - Inputs other than quoted prices that are observable for the asset or liability; and
 - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

The following are descriptions of the valuation methods used for assets measured at fair value. There have been no changes in methodologies used at December 31, 2017 or 2016.

- Mutual funds: The fair value of these securities is based on the net asset value (NAV) of shares held by the Plan at year end which is based on observable market quotations for identical assets and are priced on a daily basis at the close of business.
- Money market: Valued at cost, which approximates fair value.

The methods described above may produce a fair value calculation that may not be indicative of the 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 the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2017 and 2016:

Assets at Fair Value as of December 31, 2017

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Mutual funds	\$ 771,324	771,324	-	-
Money market	<u>30,709</u>	<u>30,709</u>	-	-
Total investments, at fair value \$	<u>802,033</u>	<u>802,033</u>	-	-

Assets at Fair Value as of December 31, 2016

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Mutual funds	\$ 666,935	666,935	-	-
Money market	<u>28,183</u>	<u>28,183</u>	-	-
Total investments, at fair value \$	<u>695,118</u>	<u>695,118</u>	-	-

5. FORFEITED ACCOUNTS:

Forfeited non-vested accounts totaled \$6,515 and \$5,841 as of December 31, 2017 and 2016, respectively. Forfeited Employer contributions will be used to reduce future Employer matching contributions or pay Plan administrative expenses. During 2017, no forfeitures were used to reduce Employer matching contributions or pay Plan administrative expenses.

6. PARTY-IN-INTEREST TRANSACTIONS:

Certain Plan investments are managed by MG Trust Company, the custodian of the Plan. Therefore, these transactions qualify as party-in-interest transactions.

7. PLAN TERMINATION:

Although it has not expressed any intent to do so, the Employer 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 will become 100% vested in their accounts.

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' accounts and the amounts reported in the statement of net assets available for benefits.

9. TAX STATUS:

On October 11, 2013, the Puerto Rico Department of Treasury determined that the Plan was in compliance with the applicable requirements of the PRIRC. The plan administrator believes that the Plan was qualified and the related trust was tax-exempt as of the financial statement date.

10. SUBSEQUENT EVENTS:

In February 2018, the Plan changed custodians and recordkeepers to Fidelity Management Trust Company.

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	Cost	Current Value
	Fidelity Prime Money Market Portfolio	Money market	** \$	5
	Vanguard Federal Money Market Fund	Money market	**	30,704
	Carillon Eagle Small Cap Growth Fund Class I	Mutual fund	**	2,074
	Fidelity Advisory Freedom 2015 Fund	Mutual fund	**	9
	Fidelity Advisory Freedom 2025 Fund	Mutual fund	**	13,835
	Fidelity Advisory Freedom 2035 Fund	Mutual fund	**	3,000
	Fidelity Balanced Fund	Mutual fund	**	379
	Fidelity Diversified International Fund	Mutual fund	**	133,088
	Fidelity Freedom 2020	Mutual fund	**	60,267
	Fidelity Freedom 2030	Mutual fund	**	27,205
	Fidelity Freedom 2040	Mutual fund	**	15,987
	Fidelity Freedom 2045 Fund	Mutual fund	**	53,321
	Fidelity Freedom 2050 Fund	Mutual fund	**	15,539
	Fidelity Freedom 2055 Fund	Mutual fund	**	2,189
	Fidelity Freedom Income	Mutual fund	**	11,158
	Fidelity Government Income Fund	Mutual fund	**	2,226
	Fidelity Investment Grade Bond	Mutual fund	**	9,616
	Fidelity Small Cap Value	Mutual fund	**	1,903
	Fidelity Spartan Extended Market Index	Mutual fund	**	104,876
	Fidelity Spartan US Equity Index	Mutual fund	**	212,387
	Invesco Diversified Dividend Fund Y	Mutual fund	**	1,055
	JPMorgan Lage Cap Growth Fund	Mutual fund	**	2,138
	MFS Value Fund R5 Class	Mutual fund	**	1,182
	PIMCO Total Return Fund A	Mutual fund	**	97,890
			\$	<u>802,033</u>

** Assets are participant directed - cost not required to be disclosed.

Supply Chain Puerto Rico Retirement Plan

Financial Statements and Supplemental Schedule

December 31, 2017 and 2016

(with Independent Auditors' Report)

TABLE OF CONTENTS

Independent Auditors' Report	1-2
Financial Statements:	
Statements of Net Assets Available for Benefits	3
Statement of Changes in Net Assets Available for Benefits	4
Notes to the Financial Statements	5-9
Supplemental Schedule -	
Schedule H, line 4i - Schedule of Assets (Held at End of Year)	10

INDEPENDENT AUDITORS' REPORT

To the Participants and DHL Supply Chain NA Compensation & Benefits Committee
Supply Chain Puerto Rico Retirement Plan
Westerville, Ohio

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Supply Chain Puerto Rico Retirement 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 matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by MG Trust Company, the custodian of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the custodian as of December 31, 2017 and 2016 and for the year ended December 31, 2017, that the information provided to the plan administrator by the custodian is complete and accurate.

Disclaimer of Opinion

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

Other Matter

The supplemental schedule of assets (held at end of year) as of December 31, 2017 is required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on this supplemental schedule.

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

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

Clark, Schaefer, Hackett & Co.

Columbus, Ohio
October 12, 2018

Supply Chain Puerto Rico Retirement Plan
Statements of Net Assets Available for Benefits
December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Assets:		
Non interest-bearing cash	\$ <u>5,336</u>	<u>3,771</u>
Investments, at fair value:		
Mutual funds	771,324	666,935
Money market	<u>30,709</u>	<u>28,183</u>
	<u>802,033</u>	<u>695,118</u>
Receivables:		
Employer contributions	482	-
Employee contributions	<u>963</u>	<u>-</u>
	<u>1,445</u>	<u>-</u>
Net assets available for benefits	\$ <u>808,814</u>	<u>698,889</u>

See accompanying notes to the financial statements.

Supply Chain Puerto Rico Retirement Plan
Statement of Changes in Net Assets Available for Benefits
Year Ended December 31, 2017

Additions:

Investment activity:

Interest and dividend income	\$ 24,363
Net appreciation in fair value of investments	<u>102,976</u>
	<u>127,339</u>

Contributions:

Employer	47,125
Employee	<u>105,067</u>
	<u>152,192</u>

Total additions	<u>279,531</u>
-----------------	----------------

Deductions:

Benefits paid to participants	168,206
Administrative expenses	<u>1,400</u>

Total deductions	<u>169,606</u>
------------------	----------------

Net increase	109,925
--------------	---------

Net assets available for benefits:

Beginning of year	<u>698,889</u>
End of year	\$ <u><u>808,814</u></u>

See accompanying notes to the financial statements.

1. DESCRIPTION OF PLAN:

The following description of the Supply Chain Puerto Rico Retirement Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan, which began on April 1, 2006, and was last restated January 1, 2012, is a defined contribution plan covering all employees who are employed by Dimalsa Logistics Corp, (the Employer) and who meet the service and age requirements. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Eligibility

All associates, excluding leased employees or independent contractors, who are residents of Puerto Rico and not subject to a collective bargaining agreement, who have attained twenty-one years of age are eligible to participate in the Plan. Employees may enter the Plan on the first day of the quarter immediately after meeting Plan eligibility requirements.

Contributions

Participant contributions – Participants may elect to defer up to 75% of eligible compensation, as defined. Participants direct Plan contributions in 1% increments to any of the Plan's investment fund options. The participants' elective deferrals are not taxed as compensation in the year of deferral. Participants may also make rollover contributions which represent distributions from other qualified defined benefit or contribution plans.

Employer matching contributions – The Employer will make matching contributions equal to 50% of compensation deferred by the participant, up to a total of \$3,000 matching contributions per participant per year.

Contributions are subject to limitations on annual additions and other limitations imposed by the Puerto Rico Internal Revenue Code (PRIRC) as defined in the Plan agreement.

Participant accounts

Each participant's account is credited with the participant's contributions, Employer matching, and earnings and losses thereon. The Plan's investments are participant-directed.

Vesting

All participants are 100% vested in elective deferrals and rollover contributions. Participants are 25% vested after two years, 50% vested after three years, 75% vested after four years and fully vested after five years of service in Employer matching contributions.

Administrative expenses

Certain expenses incurred in the administration of the Plan are paid by the Employer and are excluded from these financial statements. Investment related fees are included in net appreciation in fair value of investments. Fees related to participant directed transactions are charged directly to the participant's account and are included in administrative expenses.

Payment of benefits

On termination of service, death, total or permanent disability, or retirement, a participant may receive a lump sum amount equal to the value of his or her account. Normal retirement is age 60. The nonvested portion of the account is treated as a forfeiture. Hardship withdrawals are permitted, as defined.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The following accounting principles and practices of the Plan are set forth to facilitate the understanding of data presented in the financial statements:

Basis of accounting

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

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

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. The Plan's Compensation & Benefits Committee determines the Plan's valuation policies utilizing information provided by the investment advisors and custodian. See Note 4 for discussion of fair value measurements.

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

Contributions

Employee deferrals are recognized when withheld from a participant's pay, and Employer matching contributions are recognized at the same time.

Payment of benefits

Benefits are recorded when paid.

Accounting changes

The Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2015-12, "Plan Accounting: Defined Contribution Pension Plans (Topic 962): (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, and (Part III) Measurement Date – Practical Expedient." ASU 2015-12 simplifies disclosures and reporting by employee benefit plans. ASU 2015-12 is effective for fiscal years beginning after December 15, 2015. The Plan elected to adopt Part I and II of ASU 2015-12 in 2016.

Subsequent events

The Plan evaluates events and transactions occurring subsequent to the date of the financial statements for matters requiring recognition or disclosure in the financial statements. The Plan has evaluated subsequent events through October 12, 2018, the date that the financial statements were available to be issued.

3. INFORMATION PREPARED AND CERTIFIED BY CUSTODIAN:

The following information included in the accompanying financial statements and supplemental schedule as of December 31, 2017 and 2016 and for the year ended December 31, 2017 was obtained from data that has been prepared and certified to as complete and accurate by MG Trust Company d.b.a Matrix Trust Company (Matrix), the custodian as defined by the Plan:

Investments
Net appreciation in fair value of investments
Interest and dividend income
Assets held at the end of year

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 the active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are described below:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.
- Level 2 Inputs to the valuation methodology include:
 - Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets or liabilities in inactive markets;
 - Inputs other than quoted prices that are observable for the asset or liability; and
 - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

The following are descriptions of the valuation methods used for assets measured at fair value. There have been no changes in methodologies used at December 31, 2017 or 2016.

- Mutual funds: The fair value of these securities is based on the net asset value (NAV) of shares held by the Plan at year end which is based on observable market quotations for identical assets and are priced on a daily basis at the close of business.
- Money market: Valued at cost, which approximates fair value.

The methods described above may produce a fair value calculation that may not be indicative of the 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 the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2017 and 2016:

Assets at Fair Value as of December 31, 2017

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Mutual funds	\$ 771,324	771,324	-	-
Money market	<u>30,709</u>	<u>30,709</u>	-	-
Total investments, at fair value \$	<u>802,033</u>	<u>802,033</u>	-	-

Assets at Fair Value as of December 31, 2016

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Mutual funds	\$ 666,935	666,935	-	-
Money market	<u>28,183</u>	<u>28,183</u>	-	-
Total investments, at fair value \$	<u>695,118</u>	<u>695,118</u>	-	-

5. FORFEITED ACCOUNTS:

Forfeited non-vested accounts totaled \$6,515 and \$5,841 as of December 31, 2017 and 2016, respectively. Forfeited Employer contributions will be used to reduce future Employer matching contributions or pay Plan administrative expenses. During 2017, no forfeitures were used to reduce Employer matching contributions or pay Plan administrative expenses.

6. PARTY-IN-INTEREST TRANSACTIONS:

Certain Plan investments are managed by MG Trust Company, the custodian of the Plan. Therefore, these transactions qualify as party-in-interest transactions.

7. PLAN TERMINATION:

Although it has not expressed any intent to do so, the Employer 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 will become 100% vested in their accounts.

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' accounts and the amounts reported in the statement of net assets available for benefits.

9. TAX STATUS:

On October 11, 2013, the Puerto Rico Department of Treasury determined that the Plan was in compliance with the applicable requirements of the PRIRC. The plan administrator believes that the Plan was qualified and the related trust was tax-exempt as of the financial statement date.

10. SUBSEQUENT EVENTS:

In February 2018, the Plan changed custodians and recordkeepers to Fidelity Management Trust Company.

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	Cost	Current Value
	Fidelity Prime Money Market Portfolio	Money market	** \$	5
	Vanguard Federal Money Market Fund	Money market	**	30,704
	Carillon Eagle Small Cap Growth Fund Class I	Mutual fund	**	2,074
	Fidelity Advisory Freedom 2015 Fund	Mutual fund	**	9
	Fidelity Advisory Freedom 2025 Fund	Mutual fund	**	13,835
	Fidelity Advisory Freedom 2035 Fund	Mutual fund	**	3,000
	Fidelity Balanced Fund	Mutual fund	**	379
	Fidelity Diversified International Fund	Mutual fund	**	133,088
	Fidelity Freedom 2020	Mutual fund	**	60,267
	Fidelity Freedom 2030	Mutual fund	**	27,205
	Fidelity Freedom 2040	Mutual fund	**	15,987
	Fidelity Freedom 2045 Fund	Mutual fund	**	53,321
	Fidelity Freedom 2050 Fund	Mutual fund	**	15,539
	Fidelity Freedom 2055 Fund	Mutual fund	**	2,189
	Fidelity Freedom Income	Mutual fund	**	11,158
	Fidelity Government Income Fund	Mutual fund	**	2,226
	Fidelity Investment Grade Bond	Mutual fund	**	9,616
	Fidelity Small Cap Value	Mutual fund	**	1,903
	Fidelity Spartan Extended Market Index	Mutual fund	**	104,876
	Fidelity Spartan US Equity Index	Mutual fund	**	212,387
	Invesco Diversified Dividend Fund Y	Mutual fund	**	1,055
	JPMorgan Lage Cap Growth Fund	Mutual fund	**	2,138
	MFS Value Fund R5 Class	Mutual fund	**	1,182
	PIMCO Total Return Fund A	Mutual fund	**	97,890
			\$	<u>802,033</u>

** Assets are participant directed - cost not required to be disclosed.

(a)	(b)	(c)	(d)	(e)
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