

Fill in this information to identify your case:

United States Bankruptcy Court for the:

MIDDLE DISTRICT OF PENNSYLVANIA

Case number (if known) \_\_\_\_\_ Chapter 11

Check if this an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

4/16

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

1. Debtor's name Manugraph Americas, Inc.

2. All other names debtor used in the last 8 years  
Include any assumed names, trade names and doing business as names  
Manugraph DGM, Inc.

3. Debtor's federal Employer Identification Number (EIN) 25-1756410

4. Debtor's address

<b>Principal place of business</b>	<b>Mailing address, if different from principal place of business</b>
<u>158 Damhill Road</u> <u>Millersburg, PA 17061</u> Number, Street, City, State & ZIP Code	<u>P.O. Box 573</u> <u>Elizabethville, PA 17023</u> P.O. Box, Number, Street, City, State & ZIP Code
<u>Dauphin</u> County	<b>Location of principal assets, if different from principal place of business</b>
	_____ Number, Street, City, State & ZIP Code

5. Debtor's website (URL) \_\_\_\_\_

6. Type of debtor

Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))

Partnership (excluding LLP)

Other. Specify: \_\_\_\_\_

7. Describe debtor's business

A. Check one:

- Health Care Business (as defined in 11 U.S.C. § 101(27A))
- Single Asset Real Estate (as defined in 11 U.S.C. § 101(51B))
- Railroad (as defined in 11 U.S.C. § 101(44))
- Stockbroker (as defined in 11 U.S.C. § 101(53A))
- Commodity Broker (as defined in 11 U.S.C. § 101(6))
- Clearing Bank (as defined in 11 U.S.C. § 781(3))
- None of the above

B. Check all that apply

- Tax-exempt entity (as described in 26 U.S.C. §501)
- Investment company, including hedge fund or pooled investment vehicle (as defined in 15 U.S.C. §80a-3)
- Investment advisor (as defined in 15 U.S.C. §80b-2(a)(11))

C. NAICS (North American Industry Classification System) 4-digit code that best describes debtor.  
See <http://www.uscourts.gov/four-digit-national-association-naics-codes>.

8. Under which chapter of the Bankruptcy Code is the debtor filing?

Check one:

- Chapter 7
- Chapter 9
- Chapter 11. Check all that apply:

- Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,566,050 (amount subject to adjustment on 4/01/19 and every 3 years after that).
- The debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). If the debtor is a small business debtor, attach the most recent balance sheet, statement of operations, cash-flow statement, and federal income tax return or if all of these documents do not exist, follow the procedure in 11 U.S.C. § 1116(1)(B).
- A plan is being filed with this petition.
- Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
- The debtor is required to file periodic reports (for example, 10K and 10Q) with the Securities and Exchange Commission according to § 13 or 15(d) of the Securities Exchange Act of 1934. File the attachment to Voluntary Petition for Non-Individuals Filing for Bankruptcy under Chapter 11 (Official Form 201A) with this form.
- The debtor is a shell company as defined in the Securities Exchange Act of 1934 Rule 12b-2.

Chapter 12

9. Were prior bankruptcy cases filed by or against the debtor within the last 8 years?

- No.
- Yes.

If more than 2 cases, attach a separate list.

District	_____	When	_____	Case number	_____
District	_____	When	_____	Case number	_____

10. Are any bankruptcy cases pending or being filed by a business partner or an affiliate of the debtor?

- No
- Yes.

List all cases. If more than 1, attach a separate list

Debtor	_____	Relationship	_____
District	_____	When	_____
		Case number, if known	_____

11. Why is the case filed in this district?

Check all that apply:

- Debtor has had its domicile, principal place of business, or principal assets in this district for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other district.
- A bankruptcy case concerning debtor's affiliate, general partner, or partnership is pending in this district.

12. Does the debtor own or have possession of any real property or personal property that needs immediate attention?

No

Yes. Answer below for each property that needs immediate attention. Attach additional sheets if needed.

Why does the property need immediate attention? (Check all that apply.)

It poses or is alleged to pose a threat of imminent and identifiable hazard to public health or safety.

What is the hazard? \_\_\_\_\_

It needs to be physically secured or protected from the weather.

It includes perishable goods or assets that could quickly deteriorate or lose value without attention (for example, livestock, seasonal goods, meat, dairy, produce, or securities-related assets or other options).

Other \_\_\_\_\_

Where is the property? \_\_\_\_\_

Number, Street, City, State & ZIP Code

Is the property insured?

No

Yes. Insurance agency \_\_\_\_\_

Contact name \_\_\_\_\_

Phone \_\_\_\_\_

**Statistical and administrative information**

13. Debtor's estimation of available funds

Check one:

- Funds will be available for distribution to unsecured creditors.
- After any administrative expenses are paid, no funds will be available to unsecured creditors.

14. Estimated number of creditors

1-49

50-99

100-199

200-999

1,000-5,000

5001-10,000

10,001-25,000

25,001-50,000

50,001-100,000

More than 100,000

15. Estimated Assets

\$0 - \$50,000

\$50,001 - \$100,000

\$100,001 - \$500,000

\$500,001 - \$1 million

\$1,000,001 - \$10 million

\$10,000,001 - \$50 million

\$50,000,001 - \$100 million

\$100,000,001 - \$500 million

\$500,000,001 - \$1 billion

\$1,000,000,001 - \$10 billion

\$10,000,000,001 - \$50 billion

More than \$50 billion

16. Estimated liabilities

\$0 - \$50,000

\$50,001 - \$100,000

\$100,001 - \$500,000

\$500,001 - \$1 million

\$1,000,001 - \$10 million

\$10,000,001 - \$50 million

\$50,000,001 - \$100 million

\$100,000,001 - \$500 million

\$500,000,001 - \$1 billion

\$1,000,000,001 - \$10 billion

\$10,000,000,001 - \$50 billion

More than \$50 billion

Debtor **Manugraph Americas, Inc.**  
Name

Case number (if known)

**Request for Relief, Declaration, and Signatures**

**WARNING** -- Bankruptcy fraud is a serious crime. Making a false statement in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

**17. Declaration and signature of authorized representative of debtor**

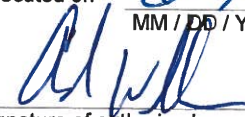
The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

I have been authorized to file this petition on behalf of the debtor.

I have examined the information in this petition and have a reasonable belief that the information is true and correct.

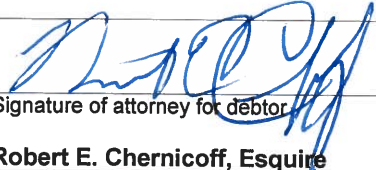
I declare under penalty of perjury that the foregoing is true and correct.

Executed on 6-1-2017  
MM/DD/YYYY

X   
Signature of authorized representative of debtor  
Title Chief Operating Officer

**Andrew Welker**  
Printed name

**18. Signature of attorney**

X   
Signature of attorney for debtor  
**Robert E. Chernicoff, Esquire**  
Printed name

Date 6-1-2017  
MM/DD/YYYY

**Cunningham, Chernicoff & Warshawsky, P.C.**  
Firm name

**2320 North Second Street**  
**Harrisburg, PA 17110**  
Number, Street, City, State & ZIP Code

Contact phone (717) 238-6570 Email address \_\_\_\_\_

**23380**  
Bar number and State



Form **1120**  
Department of the Treasury  
Internal Revenue Service

**U.S. Corporation Income Tax Return**  
For calendar year 2015 or tax year beginning **04/01/15**, ending **03/31/16**  
▶ Information about Form 1120 and its separate instructions is at [www.irs.gov/form1120](http://www.irs.gov/form1120).

OMB No. 1545-0123

**2015**

- A** Check if:
- 1a Consolidated return (attach Form 851)
  - b Life/nonlife consolidated return
  - 2 Personal holding co. (attach Sch. PH)
  - 3 Personal service corp. (see instructions)
  - 4 Schedule M-3 attached

**TYPE OR PRINT**

Name  
**MANUGRAPH AMERICAS, INC.**

Number, street, and room or suite no. If a P.O. box, see instructions.  
**159 DAMHILL ROAD, P.O. BOX 573**

City or town, state, or province, country, and ZIP or foreign postal code  
**ELIZABETHVILLE PA 17023**

**B** Employer identification number  
**25-1756410**

**C** Date incorporated  
**01/23/1995**

**D** Total assets (see instructions)  
**\$ 14,072,975**

**E** Check if: (1) Initial return (2) Final return (3) Name change (4) Address change

		1a	1b	1c
<b>Income</b>	1a Gross receipts or sales	7,823,827		
	b Returns and allowances		35,482	
	c Balance. Subtract line 1b from line 1a			7,788,345
	2 Cost of goods sold (attach Form 1125-A)			5,358,912
	3 Gross profit. Subtract line 2 from line 1c			2,429,433
	4 Dividends (Schedule C, line 19)			38,043
	5 Interest			
	6 Gross rents			
	7 Gross royalties			
	8 Capital gain net income (attach Schedule D (Form 1120))			
	9 Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)			
10 Other income (see instructions—attach statement)	SEE STMT 1		18,904	
11 <b>Total income.</b> Add lines 3 through 10			2,486,380	
<b>Deductions (See instructions for limitations on deductions.)</b>	12 Compensation of officers (see instructions—attach Form 1125-E)			93,462
	13 Salaries and wages (less employment credits)			635,080
	14 Repairs and maintenance			145,167
	15 Bad debts			61,648
	16 Rents			
	17 Taxes and licenses			129,816
	18 Interest			82,654
	19 Charitable contributions	SEE STMT 2		0
	20 Depreciation from Form 4562 not claimed on Form 1125-A or elsewhere on return (attach Form 4562)			96,696
	21 Depletion			
	22 Advertising			12,616
	23 Pension, profit-sharing, etc., plans			
	24 Employee benefit programs			185,614
	25 Domestic production activities deduction (attach Form 8903)			
	26 Other deductions (attach statement)	SEE STMT 3		1,661,164
	27 <b>Total deductions.</b> Add lines 12 through 26			3,103,917
	28 Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11			-617,537
<b>29a</b> Net operating loss deduction (see instructions)	29a			
	b Special deductions (Schedule C, line 20)	29b		
	c Add lines 29a and 29b	29c		
30 <b>Taxable income.</b> Subtract line 29c from line 28 (see instructions)			-617,537	
31 Total tax (Schedule J, Part I, line 11)			0	
32 Total payments and refundable credits (Schedule J, Part II, line 21)				
33 Estimated tax penalty (see instructions). Check if Form 2220 is attached				
34 <b>Amount owed.</b> If line 32 is smaller than the total of lines 31 and 33, enter amount owed				
35 <b>Overpayment.</b> If line 32 is larger than the total of lines 31 and 33, enter amount overpaid				
36 Enter amount from line 35 you want: <b>Credited to 2016 estimated tax</b> ▶	Refunded ▶			

**Sign Here** ▶ Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

May the IRS discuss this return with the preparer shown below (see instructions)?  Yes  No

**FILE COPY**

Signature of officer **ANDREW WELKER** Date **7/29/16** Title **COO**

Print/Type preparer's name **BONITA J MCGONIGAL** Preparer's signature *[Signature]* Date **7/29/16** Check self-employed  PTIN **P00232287**

Firm's name ▶ **BROWN SCHULTZ SHERIDAN & FRITZ** Firm's EIN ▶ **25-1644159**

Firm's address ▶ **210 GRANDVIEW AVE** Phone no. **717-761-7171**  
**CAMP HILL, PA 17011-1706**

<b>Schedule C Dividends and Special Deductions (see instructions)</b>		<b>(a) Dividends received</b>	<b>(b) %</b>	<b>(c) Special deductions (a) x (b)</b>
1	Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock) .....		70	
2	Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock) .....		80	
3	Dividends on debt-financed stock of domestic and foreign corporations .....		see instructions	
4	Dividends on certain preferred stock of less-than-20%-owned public utilities .....		42	
5	Dividends on certain preferred stock of 20%-or-more-owned public utilities .....		48	
6	Dividends from less-than-20%-owned foreign corporations and certain FSCs .....		70	
7	Dividends from 20%-or-more-owned foreign corporations and certain FSCs .....		80	
8	Dividends from wholly owned foreign subsidiaries .....		100	
9	<b>Total.</b> Add lines 1 through 8. See instructions for limitation .....			
10	Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958 .....		100	
11	Dividends from affiliated group members .....		100	
12	Dividends from certain FSCs .....		100	
13	Dividends from foreign corporations not included on lines 3, 6, 7, 8, 11, or 12 .....			
14	Income from controlled foreign corporations under subpart F (attach Form(s) 5471) .....	38,043		
15	Foreign dividend gross-up .....			
16	IC-DISC and former DISC dividends not included on lines 1, 2, or 3 .....			
17	Other dividends .....			
18	Deduction for dividends paid on certain preferred stock of public utilities .....			
19	<b>Total dividends.</b> Add lines 1 through 17. Enter here and on page 1, line 4 .....	38,043		
20	<b>Total special deductions.</b> Add lines 9, 10, 11, 12, and 18. Enter here and on page 1, line 29b .....			



Schedule J Tax Computation and Payment (see instructions)

Part I-Tax Computation

Table with 11 rows for tax computation. Includes items like 'Check if the corporation is a member of a controlled group', 'Income tax', 'Alternative minimum tax', 'Foreign tax credit', 'Total credits', 'Personal holding company tax', 'Recapture of investment credit', and 'Total tax'. Total tax is 0.

Part II-Payments and Refundable Credits

Table with 11 rows for payments and refundable credits. Includes items like '2014 overpayment credited to 2015', '2015 estimated tax payments', '2015 refund applied for on Form 4466', 'Tax deposited with Form 7004', 'Withholding', 'Total payments', 'Refundable credits from', and 'Total payments and credits'. Total payments and credits is 0.

Schedule K Other Information (see instructions)

Table with 4 rows for other information. Includes 'Check accounting method' (Accrual checked), 'Business activity code no. 423800', 'Business activity SERVICE AND PART S', 'Product or service PRINTING PRESSES', 'Is the corporation a subsidiary...', 'At the end of the tax year: Did any foreign or domestic corporation...', 'Did any individual or estate own directly 20% or more...'. Yes/No columns are present.

Schedule K Other Information continued (see instructions)

5 At the end of the tax year, did the corporation:				Yes	No
a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation not included on Form 851, Affiliations Schedule? For rules of constructive ownership, see instructions. ...					X
If "Yes," complete (i) through (iv) below.					
(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage Owned in Voting Stock		
b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. ....					X
If "Yes," complete (i) through (iv) below.					
(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Country of Organization	(iv) Maximum Percentage Owned in Profit, Loss, or Capital		
6 During this tax year, did the corporation pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the corporation's current and accumulated earnings and profits? (See sections 301 and 316.)					X
If "Yes," file Form 5452, Corporate Report of Nondividend Distributions.					
If this is a consolidated return, answer here for the parent corporation and on Form 851 for each subsidiary.					
7 At any time during the tax year, did one foreign person own, directly or indirectly, at least 25% of (a) the total voting power of all classes of the corporation's stock entitled to vote or (b) the total value of all classes of the corporation's stock?				X	
For rules of attribution, see section 318. If "Yes," enter:					
(i) Percentage owned ▶ 100.000 and (ii) Owner's country ▶ INDIA					
(c) The corporation may have to file Form 5472, Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. Enter the number of Forms 5472 attached ▶ 1					
8 Check this box if the corporation issued publicly offered debt instruments with original issue discount					<input type="checkbox"/>
If checked, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments.					
9 Enter the amount of tax-exempt interest received or accrued during the tax year ▶ \$				0	
10 Enter the number of shareholders at the end of the tax year (if 100 or fewer) ▶				1	
11 If the corporation has an NOL for the tax year and is electing to forego the carryback period, check here					<input type="checkbox"/>
If the corporation is filing a consolidated return, the statement required by Regulations section 1.1502-21(b)(3) must be attached or the election will not be valid.					
12 Enter the available NOL carryover from prior tax years (do not reduce it by any deduction on line 29a.) ▶ \$				17,161,876	
13 Are the corporation's total receipts (page 1, line 1a, plus lines 4 through 10) for the tax year and its total assets at the end of the tax year less than \$250,000?					X
If "Yes," the corporation is not required to complete Schedules L, M-1, and M-2. Instead, enter the total amount of cash distributions and the book value of property distributions (other than cash) made during the tax year ▶ \$					
14 Is the corporation required to file Schedule UTP (Form 1120), Uncertain Tax Position Statement (see instructions)?					X
If "Yes," complete and attach Schedule UTP.					
15a Did the corporation make any payments in 2015 that would require it to file Form(s) 1099?				X	
b If "Yes," did or will the corporation file required Forms 1099?				X	
16 During this tax year, did the corporation have an 80% or more change in ownership, including a change due to redemption of its own stock?					X
17 During or subsequent to this tax year, but before the filing of this return, did the corporation dispose of more than 65% (by value) of its assets in a taxable, non-taxable, or tax deferred transaction?					X
18 Did the corporation receive assets in a section 351 transfer in which any of the transferred assets had a fair market basis or fair market value of more than \$1 million?					X



Schedule L	Balance Sheets per Books	Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
<b>Assets</b>					
1	Cash				
2a	Trade notes and accounts receivable	811,844		842,836	
b	Less allowance for bad debts	327,457	484,387	249,627	593,209
3	Inventories		2,614,094		4,043,943
4	U.S. government obligations				
5	Tax-exempt securities (see instructions)				
6	Other current assets (att. stmt.) <b>STMT 4</b>		1,065,260		1,086,417
7	Loans to shareholders				
8	Mortgage and real estate loans				
9	Other investments (attach stmt.) <b>STMT 5</b>		31,000		31,000
10a	Buildings and other depreciable assets	6,950,257		7,027,731	
b	Less accumulated depreciation	4,843,399	2,106,858	4,964,431	2,063,300
11a	Depletable assets				
b	Less accumulated depletion				
12	Land (net of any amortization)		131,458		131,458
13a	Intangible assets (amortizable only)	1,334,153		1,334,153	
b	Less accumulated amortization	1,334,153	0	1,334,153	0
14	Other assets (attach stmt.) <b>STMT 6</b>		6,113,898		6,123,648
15	<b>Total assets</b>		<b>12,546,955</b>		<b>14,072,975</b>
<b>Liabilities and Shareholders' Equity</b>					
16	Accounts payable		572,149		729,405
17	Mortgages, notes, bonds payable in less than 1 year		9,223		9,827
18	Other current liabilities (att. stmt.) <b>STMT 7</b>		3,013,276		4,057,939
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more		0		38,490
21	Other liabilities (attach statement)				
22	Capital stock: a Preferred stock	1,000		1,000	
	b Common stock	3,883	4,883	3,883	4,883
23	Additional paid-in capital		13,456,178		13,456,178
24	Retained earnings—Appropriated (att. stmt.)				
25	Retained earnings—Unappropriated		-4,433,754		-4,148,747
26	Adjustments to SH equity (att. stmt.)				
27	Less cost of treasury stock		75,000		75,000
28	<b>Total liabilities and shareholders' equity</b>		<b>12,546,955</b>		<b>14,072,975</b>

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income per Return**

Note: The corporation may be required to file Schedule M-3 (see instructions).

1	Net income (loss) per books		7	Income recorded on books this year not included on this return (itemize):	
2	Federal income tax per books			Tax-exempt interest \$	
3	Excess of capital losses over capital gains				
4	Income subject to tax not recorded on books this year (itemize):				
5	Expenses recorded on books this year not deducted on this return (itemize):		8	Deductions on this return not charged against book income this year (itemize):	
a	Depreciation \$		a	Depreciation \$	
b	Charitable contributions \$		b	Charitable contributions \$	
c	Travel and entertainment \$				
6	Add lines 1 through 5		9	Add lines 7 and 8	
			10	Income (page 1, line 28)—line 6 less line 9	

**Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (Line 25, Schedule L)**

1	Balance at beginning of year	-4,433,754	5	Distributions: a Cash	
2	Net income (loss) per books	285,007		b Stock	
3	Other increases (itemize):			c Property	
			6	Other decreases (itemize):	
			7	Add lines 5 and 6	
4	Add lines 1, 2, and 3	-4,148,747	8	Balance at end of year (line 4 less line 7)	-4,148,747

**SCHEDULE N  
(Form 1120)**

**Foreign Operations of U.S. Corporations**

OMB No. 1545-0123

Department of the Treasury  
Internal Revenue Service

▶ Attach to Form 1120, 1120-C, 1120-IC-DISC, 1120-L, 1120-PC, 1120-REIT, 1120-RIC, or 1120S.  
▶ Information about Schedule N (Form 1120) and its instructions is available at [www.irs.gov/form1120](http://www.irs.gov/form1120).

**2015**

Name

Employer identification number (EIN)

**MANUGRAPH AMERICAS, INC.**

**25-1756410**

**Foreign Operations Information**

	Yes	No
<b>1a</b> During the tax year, did the corporation own (directly or indirectly) any foreign entity that was disregarded as an entity separate from its owner under Regulations sections 301.7701-2 and 301.7701-3 (see instructions)? If "Yes," you are generally required to attach <b>Form 8858</b> , Information Return of U.S. Persons With Respect to Foreign Disregarded Entities, for each foreign disregarded entity (see instructions).		<b>X</b>
<b>b</b> Enter the number of Forms 8858 attached to the tax return ..... ▶ .....		
<b>2</b> Enter the number of <b>Forms 8865</b> , Return of U.S. Persons With Respect to Certain Foreign Partnerships, attached to the corporation's income tax return ..... ▶ .....		
<b>3</b> Excluding any partnership for which a Form 8865 is attached to the tax return, did the corporation own at least a 10% interest, directly or indirectly, in any other foreign partnership (including an entity treated as a foreign partnership under Regulations section 301.7701-2 or 301.7701-3)? If "Yes," see instructions for required statement.		<b>X</b>
<b>4a</b> Was the corporation a U.S. shareholder of any controlled foreign corporation (CFC)? (See sections 951 and 957.) If "Yes," attach <b>Form 5471</b> , Information Return of U.S. Persons With Respect to Certain Foreign Corporations, for each CFC.	<b>X</b>	
<b>b</b> Enter the number of Forms 5471 attached to the tax return ..... ▶ ..... <b>1</b>		
<b>5</b> During the tax year, did the corporation receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the corporation may have to file <b>Form 3520</b> , Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts.		<b>X</b>
<b>6a</b> At any time during the 2015 calendar year, did the corporation have an interest in or a signature or other authority over a financial account (such as a bank account, securities account, or other financial account) in a foreign country? See the instructions for exceptions and filing requirements for <b>FinCEN Form 114</b> , Report of Foreign Bank and Financial Accounts (FBAR).		<b>X</b>
<b>b</b> If "Yes," enter the name of the foreign country ..... ▶ .....		
<b>7a</b> Is the corporation claiming the extraterritorial income exclusion? If "Yes," attach a separate <b>Form 8873</b> , Extraterritorial Income Exclusion, for each transaction or group of transactions.		<b>X</b>
<b>b</b> Enter the number of Forms 8873 attached to the tax return ..... ▶ .....		
<b>c</b> Enter the total of the amounts from line 52 (extraterritorial income exclusion (net of disallowed deductions)) of all Forms 8873 attached to the tax return ..... ▶ \$ .....		



Form **4626**

**Alternative Minimum Tax—Corporations**

OMB No. 1545-0123

**2015**

Department of the Treasury  
Internal Revenue Service

▶ Attach to the corporation's tax return.  
▶ Information about Form 4626 and its separate instructions is at [www.irs.gov/form4626](http://www.irs.gov/form4626).

Name  
**MANUGRAPH AMERICAS, INC.**

Employer identification number  
**25-1756410**

Note: See the instructions to find out if the corporation is a small corporation exempt from the alternative minimum tax (AMT) under section 55(e).

<b>1</b>	Taxable income or (loss) before net operating loss deduction	<b>1</b>	<b>- 617,537</b>
<b>2</b>	<b>Adjustments and preferences:</b>		
<b>a</b>	Depreciation of post-1986 property	<b>2a</b>	<b>3,214</b>
<b>b</b>	Amortization of certified pollution control facilities	<b>2b</b>	
<b>c</b>	Amortization of mining exploration and development costs	<b>2c</b>	
<b>d</b>	Amortization of circulation expenditures (personal holding companies only)	<b>2d</b>	
<b>e</b>	Adjusted gain or loss	<b>2e</b>	
<b>f</b>	Long-term contracts	<b>2f</b>	
<b>g</b>	Merchant marine capital construction funds	<b>2g</b>	
<b>h</b>	Section 833(b) deduction (Blue Cross, Blue Shield, and similar type organizations only)	<b>2h</b>	
<b>i</b>	Tax shelter farm activities (personal service corporations only)	<b>2i</b>	
<b>j</b>	Passive activities (closely held corporations and personal service corporations only)	<b>2j</b>	
<b>k</b>	Loss limitations	<b>2k</b>	
<b>l</b>	Depletion	<b>2l</b>	
<b>m</b>	Tax-exempt interest income from specified private activity bonds	<b>2m</b>	
<b>n</b>	Intangible drilling costs	<b>2n</b>	
<b>o</b>	Other adjustments and preferences	<b>2o</b>	
<b>3</b>	Pre-adjustment alternative minimum taxable income (AMTI). Combine lines 1 through 2o	<b>3</b>	<b>- 614,323</b>
<b>4</b>	<b>Adjusted current earnings (ACE) adjustment:</b>		
<b>a</b>	ACE from line 10 of the ACE worksheet in the instructions	<b>4a</b>	<b>- 614,323</b>
<b>b</b>	Subtract line 3 from line 4a. If line 3 exceeds line 4a, enter the difference as a negative amount (see instructions)	<b>4b</b>	
<b>c</b>	Multiply line 4b by 75% (.75). Enter the result as a positive amount	<b>4c</b>	
<b>d</b>	Enter the excess, if any, of the corporation's total increases in AMTI from prior year ACE adjustments over its total reductions in AMTI from prior year ACE adjustments (see instructions). Note: You must enter an amount on line 4d (even if line 4b is positive)	<b>4d</b>	<b>0</b>
<b>e</b>	ACE adjustment. • If line 4b is zero or more, enter the amount from line 4c • If line 4b is less than zero, enter the smaller of line 4c or line 4d as a negative amount	<b>4e</b>	
<b>5</b>	Combine lines 3 and 4e. If zero or less, stop here; the corporation does not owe any AMT	<b>5</b>	<b>- 614,323</b>
<b>6</b>	Alternative tax net operating loss deduction (see instructions)	<b>6</b>	
<b>7</b>	<b>Alternative minimum taxable income.</b> Subtract line 6 from line 5. If the corporation held a residual interest in a REMIC, see instructions	<b>7</b>	
<b>8</b>	<b>Exemption phase-out</b> (if line 7 is \$310,000 or more, skip lines 8a and 8b and enter -0- on line 8c):		
<b>a</b>	Subtract \$150,000 from line 7 (if completing this line for a member of a controlled group, see instructions). If zero or less, enter -0-	<b>8a</b>	<b>0</b>
<b>b</b>	Multiply line 8a by 25% (.25)	<b>8b</b>	<b>0</b>
<b>c</b>	Exemption. Subtract line 8b from \$40,000 (if completing this line for a member of a controlled group, see instructions). If zero or less, enter -0-	<b>8c</b>	<b>0</b>
<b>9</b>	Subtract line 8c from line 7. If zero or less, enter -0-	<b>9</b>	<b>0</b>
<b>10</b>	Multiply line 9 by 20% (.20)	<b>10</b>	<b>0</b>
<b>11</b>	Alternative minimum tax foreign tax credit (AMTFTC) (see instructions)	<b>11</b>	
<b>12</b>	Tentative minimum tax. Subtract line 11 from line 10	<b>12</b>	<b>0</b>
<b>13</b>	Regular tax liability before applying all credits except the foreign tax credit	<b>13</b>	<b>0</b>
<b>14</b>	<b>Alternative minimum tax.</b> Subtract line 13 from line 12. If zero or less, enter -0-. Enter here and on Form 1120, Schedule J, line 3, or the appropriate line of the corporation's income tax return	<b>14</b>	<b>0</b>

For Paperwork Reduction Act Notice, see separate instructions.

Form **4626** (2015)

DAA

Form **1125-A**

**Cost of Goods Sold**

OMB No. 1545-2225

(Rev. December 2012)  
Department of the Treasury  
Internal Revenue Service

▶ Attach to Form 1120, 1120-C, 1120-F, 1120S, 1065, or 1065-B.  
▶ Information about Form 1125-A and its instructions is at [www.irs.gov/form1125a](http://www.irs.gov/form1125a).

Name <b>MANUGRAPH AMERICAS, INC.</b>		Employer identification number <b>25-1756410</b>	
1	Inventory at beginning of year .....	1	<b>2,614,094</b>
2	Purchases .....	2	<b>5,496,941</b>
3	Cost of labor .....	3	<b>760,144</b>
4	Additional section 263A costs (attach schedule) <span style="float:right">STMT 8</span> .....	4	<b>-51,511</b>
5	Other costs (attach schedule) <span style="float:right">STMT 9</span> .....	5	<b>583,187</b>
6	<b>Total.</b> Add lines 1 through 5 .....	6	<b>9,402,855</b>
7	Inventory at end of year .....	7	<b>4,043,943</b>
8	<b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on Form 1120, page 1, line 2 or the appropriate line of your tax return (see instructions) .....	8	<b>5,358,912</b>
9a Check all methods used for valuing closing inventory:			
(i) <input type="checkbox"/> Cost			
(ii) <input checked="" type="checkbox"/> Lower of cost or market			
(iii) <input type="checkbox"/> Other (Specify method used and attach explanation.) ▶ .....			
b Check if there was a writedown of subnormal goods .....			
c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) .....			
d If the LIFO inventory method was used for this tax year, enter the amount of closing inventory computed under LIFO <span style="float:right">9d</span> .....			
e If property is produced or acquired for resale, do the rules of section 263A apply to the entity (see instructions)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

For Paperwork Reduction Act Notice, see instructions.

Form **1125-A** (Rev. 12-2012)



**SCHEDULE B  
(Form 1120)**

'Rev. December 2014)  
Department of the Treasury  
Internal Revenue Service

**Additional Information for Schedule M-3 Filers**

▶ **Attach to Form 1120.**  
▶ **See instructions on page 2.**

OMB No. 1545-0123

Name <b>MANUGRAPH AMERICAS, INC.</b>	Employer identification number (EIN) <b>25-1756410</b>
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	Yes	No
1 Does any amount reported on Schedule M-3 (Form 1120), Part II, lines 9 or 10, column (d), reflect allocations to this corporation from a partnership of income, gain, loss, deduction, or credit that are disproportionate to this corporation's capital contribution to the partnership or its ratio for sharing other items of the partnership? .....		<b>X</b>
2 At any time during the tax year, did the corporation sell, exchange, or transfer any interest in an intangible asset to a related person as defined in section 267(b)? .....		<b>X</b>
3 At any time during the tax year, did the corporation acquire any interest in an intangible asset from a related person as defined in section 267(b)? .....		<b>X</b>
4a During the tax year, did the corporation enter into a cost-sharing arrangement with any related foreign party on whose behalf the corporation did not file Form 5471, Information Return of U.S. Persons With Respect To Certain Foreign Corporations? .....		<b>X</b>
b At any time during the tax year, was the corporation a participant in a cost-sharing arrangement with any related foreign party on whose behalf the corporation did not file Form 5471? .....		<b>X</b>
5 At any time during the tax year, did the corporation make any change in accounting principle for financial accounting purposes? See instructions for the definition of change in accounting principle .....		<b>X</b>
6 At any time during the tax year, did the corporation make any change in a method of accounting for U.S. income tax purposes? .....		<b>X</b>
7 At any time during the tax year, did the corporation own any voluntary employees' beneficiary association (VEBA) trusts that were used to hold funds designated for employee benefits? .....		<b>X</b>
8 At any time during the tax year, did the corporation use an allocation method for indirect costs capitalized to self-constructed assets that varied from its financial method of accounting? .....		<b>X</b>
9 At any time during the tax year, did the corporation treat for tax purposes indirect costs, as defined in Regulations sections 1.263A-1(e)(3)(ii)(F), (G), and (H), as mixed-service costs, as defined in Regulations section 1.263A-1(e)(4)(ii)(C)? .....		<b>X</b>
10 Did the corporation, under section 118 or 362(c) and the related regulations, take a return filing position characterizing any amount as a contribution to the capital of the corporation during the tax year by any non-shareholders? Amounts so characterized may include, without limitation, incentives, inducements, money, and property .....		<b>X</b>

For Paperwork Reduction Act Notice, see the Instructions for Form 1120. Schedule B (Form 1120) (Rev. 12-2014)

**SCHEDULE G  
(Form 1120)**  
(Rev. December 2011)  
Department of the Treasury  
Internal Revenue Service

**Information on Certain Persons Owning the  
Corporation's Voting Stock**

▶ **Attach to Form 1120.**  
▶ **See instructions on page 2.**

OMB No. 1545-0123

Name <b>MANUGRAPH AMERICAS, INC.</b>	Employer identification number (EIN) <b>25-1756410</b>
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**Part I Certain Entities Owning the Corporation's Voting Stock.** (Form 1120, Schedule K, Question 4a). Complete columns (i) through (v) below for any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization that owns directly 20% or more, or owns, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote (see instructions).

(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Percentage Owned in Voting Stock
MANUGRAPH INDIA, LTD	FOREIGNUS	FOREIGN CORP	INDIA	100.000

**Part II Certain Individuals and Estates Owning the Corporation's Voting Stock.** (Form 1120, Schedule K, Question 4b). Complete columns (i) through (iv) below for any individual or estate that owns directly 20% or more, or owns, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote (see instructions).

(i) Name of Individual or Estate	(ii) Identifying Number (if any)	(iii) Country of Citizenship (see instructions)	(iv) Percentage Owned in Voting Stock



SCHEDULE M-3 (Form 1120)

Department of the Treasury Internal Revenue Service

Net Income (Loss) Reconciliation for Corporations With Total Assets of \$10 Million or More

Attach to Form 1120 or 1120-C. Information about Schedule M-3 (Form 1120) and its separate instructions is available at www.irs.gov/form1120.

OMB No. 1545-0123

2015

Name of corporation (common parent, if consolidated return)

Employer identification number

MANUGRAPH AMERICAS, INC.

25-1756410

- Check applicable box(es): (1) Non-consolidated return (2) Consolidated return (Form 1120 only) (3) Mixed 1120/LPC group (4) Dormant subsidiaries schedule attached

Part I Financial Information and Net Income (Loss) Reconciliation (see instructions)

- 1a Did the corporation file SEC Form 10-K for its income statement period ending with or within this tax year?
b Did the corporation prepare a certified audited non-tax-basis income statement for that period?
c Did the corporation prepare a non-tax-basis income statement for that period?
2a Enter the income statement period: Beginning Ending
b Has the corporation's income statement been restated for the income statement period on line 2a?
c Has the corporation's income statement been restated for any of the five income statement periods immediately preceding the period on line 2a?
3a Is any of the corporation's voting common stock publicly traded?
b Enter the symbol of the corporation's primary U.S. publicly traded voting common stock
c Enter the nine-digit CUSIP number of the corporation's primary publicly traded voting common stock

Table with 2 columns: Description and Amount. Rows include 4a Worldwide consolidated net income, 5a Net income from nonincludible foreign entities, 6a Net income from nonincludible U.S. entities, 7a Net income (loss) of other includible foreign disregarded entities, 8 Adjustment to eliminations of transactions, 9 Adjustment to reconcile income statement period to tax year, 10a Intercompany dividend adjustments, 11 Net income (loss) per income statement of includible corporations.

12 Enter the total amount (not just the corporation's share) of the assets and liabilities of all entities included or removed on the following lines.

Table with 2 columns: Description and Amount. Rows include a Included on Part I, line 4; b Removed on Part I, line 5; c Removed on Part I, line 6; d Included on Part I, line 7.

For Paperwork Reduction Act Notice, see the Instructions for Form 1120.

Schedule M-3 (Form 1120) 2015

Name of corporation (common parent, if consolidated return) **MANUGRAPH AMERICAS, INC.** Employer identification number **25-1756410**

Check applicable box(es): (1)  Consolidated group (2)  Parent corp (3)  Consolidated eliminations (4)  Subsidiary corp (5)  Mixed 1120/L/PC group

Check if a sub-consolidated: (6)  1120 group (7)  1120 eliminations

Name of subsidiary (if consolidated return) \_\_\_\_\_ Employer identification number \_\_\_\_\_

**Part II Reconciliation of Net Income (Loss) per Income Statement of Includible Corporations With Taxable Income per Return (see instructions)**

	(a) Income (Loss) per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Income (Loss) per Tax Return
<b>Income (Loss) Items</b> (Attach statements for lines 1 through 12)				
1 Income (loss) from equity method foreign corporations				
2 Gross foreign dividends not previously taxed				
3 Subpart F, QEF, and similar income inclusions <b>STMT 10</b>			38,043	38,043
4 Section 78 gross-up				
5 Gross foreign distributions previously taxed				
6 Income (loss) from equity method U.S. corporations				
7 U.S. dividends not eliminated in tax consolidation				
8 Minority interest for includible corporations				
9 Income (loss) from U.S. partnerships				
10 Income (loss) from foreign partnerships				
11 Income (loss) from other pass-through entities				
12 Items relating to reportable transactions				
13 Interest income (see instructions)				
14 Total accrual to cash adjustment				
15 Hedging transactions				
16 Mark-to-market income (loss)				
17 Cost of goods sold (see instructions)	( 5,355,625 )	- 3,287		( 5,358,912 )
18 Sale versus lease (for sellers and/or lessors)				
19 Section 481(a) adjustments				
20 Unearned/deferred revenue		- 5,200		- 5,200
21 Income recognition from long-term contracts				
22 Original issue discount and other imputed interest				
23a Income statement gain/loss on sale, exchange, abandonment, worthlessness, or other disposition of assets other than inventory and pass-through entities				
b Gross capital gains from Schedule D, excluding amounts from pass-through entities				
c Gross capital losses from Schedule D, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
d Net gain/loss reported on Form 4797, line 17, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
e Abandonment losses				
f Worthless stock losses (attach statement)				
g Other gain/loss on disposition of assets other than inventory				
24 Capital loss limitation and carryforward used				
25 Other income (loss) items with differences <b>STMT 11</b>			130	130
26 Total income (loss) items. Combine lines 1-25	- 5,355,625	- 8,487	38,173	- 5,325,939
27 Total expense/deduction items (from Part III, line 38)	- 156,881	- 95,444	- 836,786	- 1,089,111
28 Other items with no differences	5,797,513			5,797,513
29a Mixed groups, see instr. All others, combine ln. 26-28	285,007	- 103,931	- 798,613	- 617,537
b PC insurance subgroup reconciliation totals				
c Life insurance subgroup reconciliation totals				
30 Reconciliation totals. Combine lines 29a-29c	285,007	- 103,931	- 798,613	- 617,537

Note: Line 30, column (a), must equal Part I, line 11, and column (d) must equal Form 1120, page 1, line 28.



Name of corporation (common parent, if consolidated return) <b>MANUGRAPH AMERICAS, INC.</b>				Employer identification number <b>25-1756410</b>	
Check applicable box(es):	(1) <input type="checkbox"/> Consolidated group	(2) <input type="checkbox"/> Parent corp	(3) <input type="checkbox"/> Consolidated eliminations	(4) <input type="checkbox"/> Subsidiary corp	(5) <input type="checkbox"/> Mixed 1120/LPC group
Check if a sub-consolidated:	(6) <input type="checkbox"/> 1120 group	(7) <input type="checkbox"/> 1120 eliminations			
Name of subsidiary (if consolidated return)				Employer identification number	

Expense/Deduction Items	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1 U.S. current income tax expense				
2 U.S. deferred income tax expense	99,943		-99,943	
3 State and local current income tax expense				
4 State and local deferred income tax expense	-52,500	52,500		
5 Foreign current income tax expense (other than foreign withholding taxes)				
6 Foreign deferred income tax expense				
7 Foreign withholding taxes				
8 Interest expense (see instructions)				
9 Stock option expense				
10 Other equity-based compensation				
11 Meals and entertainment	4,588		-2,294	2,294
12 Fines and penalties				
13 Judgments, damages, awards, and similar costs				
14 Parachute payments				
15 Compensation with section 162(m) limitation				
16 Pension and profit-sharing				
17 Other post-retirement benefits				
18 Deferred compensation				
19 Charitable contribution of cash and tangible property				
20 Charitable contribution of intangible property				
21 Charitable contribution limitation/carryforward				
22 Domestic production activities deduction				
23 Current year acquisition or reorganization investment banking fees				
24 Current year acquisition or reorganization legal and accounting fees				
25 Current year acquisition/reorganization other costs				
26 Amortization/impairment of goodwill			939,023	939,023
27 Amortization of acquisition, reorganization, and start-up costs				
28 Other amortization or impairment write-offs				
29 Reserved				
30 Depletion				
31 Depreciation	121,032	-24,336		96,696
32 Bad debt expense	-16,182	77,830		61,648
33 Corporate owned life insurance premiums				
34 Purchase versus lease (for purchasers and/or lessees)				
35 Research and development costs				
36 Section 118 exclusion (attach statement)				
37 Other expense/deduction items with differences (attach statement) <b>STMT 12</b>		-10,550		-10,550
38 Total expense/deduction items. Combine lines 1 through 37. Enter here and on Part II, line 27, reporting positive amounts as negative and negative amounts as positive	156,881	95,444	836,786	1,089,111

Form **1125-E**

Compensation of Officers

OMB No. 1545-2225

(Rev. December 2013)  
 Department of the Treasury  
 Internal Revenue Service

▶ Attach to Form 1120, 1120-C, 1120-F, 1120-REIT, 1120-RIC, or 1120S.

▶ Information about Form 1125-E and its separate instructions is at [www.irs.gov/form1125e](http://www.irs.gov/form1125e).

Name  
**MANUGRAPH AMERICAS, INC.**

Employer identification number  
**25-1756410**

Note. Complete Form 1125-E only if total receipts are \$500,000 or more. See instructions for definition of total receipts.

(a) Name of officer	(b) Social security number (see instructions)	(c) Percent of time devoted to business	Percent of stock owned		(f) Amount of compensation
			(d) Common	(e) Preferred	
<b>1 ANDREW WELKER</b>	██████████	<b>100.000 %</b>	%	%	<b>93,462</b>
		%	%	%	
		%	%	%	
		%	%	%	
		%	%	%	
		%	%	%	
		%	%	%	
		%	%	%	
		%	%	%	
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		%	%	%	
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		%	%	%	
		%	%	%	
		%	%	%	
		%	%	%	
		%	%	%	
		%	%	%	
<b>2</b> Total compensation of officers .....					<b>93,462</b>
<b>3</b> Compensation of officers claimed on Form 1125-A or elsewhere on return .....					
<b>4</b> Subtract line 3 from line 2. Enter the result here and on Form 1120, page 1, line 12 or the appropriate line of your tax return .....					<b>93,462</b>

For Paperwork Reduction Act Notice, see separate instructions.

Form 1125-E (Rev. 12-2013)



Form **4562**

**Depreciation and Amortization**  
(Including Information on Listed Property)

OMB No. 1545-0172

**2015**

Department of the Treasury  
Internal Revenue Service (99)

▶ Attach to your tax return.  
▶ Information about Form 4562 and its separate instructions is at [www.irs.gov/form4562](http://www.irs.gov/form4562).

Attachment  
Sequence No. **179**

Name(s) shown on return  
**MANUGRAPH AMERICAS, INC.**

Identifying number  
**25-1756410**

Business or activity to which this form relates

**GENERAL DEPRECIATION & AMORTIZATION**

**Part I Election To Expense Certain Property Under Section 179**

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	500,000
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,000,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2014 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2016. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

**Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)**

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

**Part III MACRS Depreciation (Do not include listed property.) (See instructions.)**

**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2015	17	90,058
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here	<input type="checkbox"/>	

**Section B—Assets Placed in Service During 2015 Tax Year Using the General Depreciation System**

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a	3-year property					
b	5-year property	57,669	5.0	MQ	MC200	3,737
c	7-year property	19,805	7.0	MQ	MC200	2,901
d	10-year property					
e	15-year property					
f	20-year property					
g	25-year property		25 yrs.		S/L	
h	Residential rental property		27.5 yrs.	MM	S/L	
i	Nonresidential real property		27.5 yrs.	MM	S/L	
			39 yrs.	MM	S/L	
				MM	S/L	

**Section C—Assets Placed in Service During 2015 Tax Year Using the Alternative Depreciation System**

20a	Class life				S/L	
b	12-year		12 yrs.		S/L	
c	40-year		40 yrs.	MM	S/L	

**Part IV Summary (See instructions.)**

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instructions	22	96,696
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

Form **4562** (2015)

DAA

Form 4562 (2015)

Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A—Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? 24b If "Yes," is the evidence written? 25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions) 26 Property used more than 50% in a qualified business use: 27 Property used 50% or less in a qualified business use: 28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 29 Add amounts in column (i), line 26. Enter here and on line 7, page 1

Section B—Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

30 Total business/investment miles driven during the year (do not include commuting miles) 31 Total commuting miles driven during the year 32 Total other personal (noncommuting) miles driven 33 Total miles driven during the year. Add lines 30 through 32 34 Was the vehicle available for personal use during off-duty hours? 35 Was the vehicle used primarily by a more than 5% owner or related person? 36 Is another vehicle available for personal use?

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? 38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners 39 Do you treat all use of vehicles by employees as personal use? 40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? 41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.)

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.

Part VI Amortization

42 Amortization of costs that begins during your 2015 tax year (see instructions): 43 Amortization of costs that began before your 2015 tax year 44 Total. Add amounts in column (f). See the instructions for where to report



Form **5471**

(Rev. December 2015)

Department of the Treasury  
Internal Revenue Service

**Information Return of U.S. Persons With Respect  
To Certain Foreign Corporations**

▶ For more information about Form 5471, see [www.irs.gov/form5471](http://www.irs.gov/form5471)  
Information furnished for the foreign corporation's annual accounting period (tax year required by  
section 898) (see instructions) beginning **04/01/15**, and ending **03/31/16**

OMB No. 1545-0704

Attachment  
Sequence No. **121**

Name of person filing this return

A Identifying number

**MANUGRAPH AMERICAS, INC.**

**25-1756410**

Number, street, and room or suite no. (or P.O. box number if mail is not delivered to street address)

**159 DAMHILL ROAD, P.O. BOX 573**

B Category of filer (See instructions. Check applicable box(es)):

**STMT 13**

1 (repealed) 2  3  4  5

City or town, state, and ZIP code

**ELIZABETHVILLE PA 17023**

C Enter the total percentage of the foreign corporation's voting  
stock you owned at the end of its annual accounting period

**0.256 %**

Filer's tax year beginning **04/01/15**, and ending **03/31/16**

D Check if any excepted specified foreign financial assets are reported on this form (see instructions)

E Person(s) on whose behalf this information return is filed:

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Shareholder	Officer	Director

**Important:** Fill in all applicable lines and schedules. All information **must** be in English. All amounts **must** be stated in U.S. dollars unless otherwise indicated.

1a Name and address of foreign corporation

**RAFFLES INSURANCE LIMITED, C/O KENSINGTON MGMT GRP  
P.O. BOX 10027, GEORGE TOWN  
GRAND CAYMAN, KY1-1001  
CAYMAN ISLANDS**

b(1) Employer identification number, if any

**98-0177769**

b(2) Reference ID number (see instructions)

**MANUGRAPH5471**

c Country under whose laws incorporated

**CAYMAN ISLANDS**

d Date of incorp.

**09/28/84**

e Principal place of business

**CAYMAN ISLANDS**

f Principal business activity  
code no.

**524290**

g Principal business activity

**INSURANCE**

h Functional currency

**US DOLLAR**

2 Provide the following information for the foreign corporation's accounting period stated above.

a Name, address, and identifying number of branch office or agent (if any) in the United States

b If a U.S. income tax return was filed, enter:

(i) Taxable income or (loss)

(ii) U.S. income tax paid  
(after all credits)

c Name and address of foreign corporation's statutory or resident agent in country of incorporation

**KENSINGTON MANAGEMENT GROUP  
P.O. BOX 10027, GEORGE TOWN  
GRAND CAYMEN CJ  
CAYMAN ISLANDS KY1-1001**

d Name and address (including corporate department, if applicable) of person (or persons) with custody of the books and records of the foreign corporation, and the location of such books and records, if different

**KENSINGTON MANAGEMENT GROUP  
P.O. BOX 10027, GEORGE TOWN  
GRAND CAYMEN CJ  
CAYMAN ISLANDS KY1-1001**

**Schedule A Stock of the Foreign Corporation**

(a) Description of each class of stock	(b) Number of shares issued and outstanding	
	(i) Beginning of annual accounting period	(ii) End of annual accounting period
<b>COMMON</b>	<b>383</b>	<b>391</b>
<b>PREFERRED</b>	<b>383</b>	<b>391</b>

For Paperwork Reduction Act Notice, see instructions.

Form **5471** (Rev. 12-2015)

DAA





MANUGRAPH AMERICAS, INC.

25-1756410

**Schedule E Income, War Profits, and Excess Profits Taxes Paid or Accrued (see instructions)**

	(a) Name of country or U.S. possession	Amount of tax		
		(b) In foreign currency	(c) Conversion rate	(d) In U.S. dollars
1	U.S.			
2				
3				
4				
5				
6				
7				
8	Total			0

**Schedule F Balance Sheet**

**Important:** Report all amounts in U.S. dollars prepared and translated in accordance with U.S. GAAP. See instructions for an exception for DASTM corporations.

Assets		(a) Beginning of annual accounting period	(b) End of annual accounting period
1	Cash	28,059,281	17,297,691
2a	Trade notes and accounts receivable		
b	Less allowance for bad debts		
3	Inventories		
4	Other current assets (attach statement) <b>STMT 16</b>	34,825,302	33,808,734
5	Loans to shareholders and other related persons		
6	Investment in subsidiaries (attach statement)		
7	Other investments (attach statement) <b>STMT 17</b>	400,459,955	429,244,060
8a	Buildings and other depreciable assets		
b	Less accumulated depreciation		
9a	Depletable assets		
b	Less accumulated depletion		
10	Land (net of any amortization)		
11	Intangible assets:		
a	Goodwill		
b	Organization costs		
c	Patents, trademarks, and other intangible assets		
d	Less accumulated amortization for lines 11a, b, and c		
12	Other assets (attach statement) <b>STMT 18</b>	258,904,178	277,373,501
13	Total assets	722,248,716	757,723,986
Liabilities and Shareholders' Equity			
14	Accounts payable		
15	Other current liabilities (attach statement) <b>STMT 19</b>	13,862,790	16,016,090
16	Loans from shareholders and other related persons		
17	Other liabilities (attach statement) <b>STMT 20</b>	442,241,051	476,733,815
18	Capital stock:		
a	Preferred stock	4	4
b	Common stock	4	4
19	Paid-in or capital surplus (attach reconciliation) <b>STMT 21</b>	84,237,174	93,578,267
20	Retained earnings	181,907,693	171,395,806
21	Less cost of treasury stock		
22	Total liabilities and shareholders' equity	722,248,716	757,723,986

Schedule G Other Information

- 1 During the tax year, did the foreign corporation own at least a 10% interest, directly or indirectly, in any foreign partnership?
2 During the tax year, did the foreign corporation own an interest in any trust?
3 During the tax year, did the foreign corporation own any foreign entities that were disregarded as entities separate from their owners...
4 During the tax year, was the foreign corporation a participant in any cost sharing arrangement?
5 During the course of the tax year, did the foreign corporation become a participant in any cost sharing arrangement?
6 During the tax year, did the foreign corporation participate in any reportable transaction as defined in Regulations section 1.6011-4?
7 During the tax year, did the foreign corporation pay or accrue any foreign tax that was disqualified for credit under section 901(m)?
8 During the tax year, did the foreign corporation pay or accrue foreign taxes to which section 909 applies, or treat foreign taxes that were previously suspended under section 909 as no longer suspended?

Schedule H Current Earnings and Profits (see instructions)

Important: Enter the amounts on lines 1 through 5c in functional currency.

Table with columns for Net Additions and Net Subtractions. Line 1: Current year net income or (loss) per foreign books of account: 18,261,831. Line 3: Total net additions: 31,936,335. Line 4: Total net subtractions: 15,298,883. Line 5a: Current earnings and profits: 34,899,283. Line 5c: Combine lines 5a and 5b: 34,899,283. Line 5d: Current earnings and profits in U.S. dollars: 34,899,283. Exchange rate used for line 5d: 1.0000.

Schedule I Summary of Shareholder's Income From Foreign Corporation (see instructions)

If item E on page 1 is completed, a separate Schedule I must be filed for each Category 4 or 5 filer for whom reporting is furnished on this Form 5471. This schedule I is being completed for:

Table with columns for line number and amount. Name of U.S. shareholder: MANUGRAPH AMERICAS, INC. Identifying number: 25-1756410. Line 1: Subpart F income: 38,043. Line 6: Total of lines 1 through 5: 38,043.

- Was any income of the foreign corporation blocked?
• Did any such income become unblocked during the tax year (see section 964(b))?
If the answer to either question is "Yes," attach an explanation.



**SCHEDULE J**  
**(Form 5471)**  
 (Rev. December 2012)  
 Department of the Treasury  
 Internal Revenue Service

**Accumulated Earnings and Profits (E&P)**  
**of Controlled Foreign Corporation**

OMB No. 1545-0704

▶ Information about Schedule J (Form 5471) and its instructions is at [www.irs.gov/form5471](http://www.irs.gov/form5471).  
 ▶ Attach to Form 5471.

Name of person filing Form 5471 <b>MANUGRAPH AMERICAS, INC.</b>		Identifying number <b>25-1756410</b>
Name of foreign corporation <b>RAFFLES INSURANCE LIMITED, C/O KENSINGTON MGMT GRP</b>		EIN (if any) <b>98-0177769</b>
		Reference ID number (see instructions) <b>MANUGRAPH5471</b>

Important: Enter amounts in functional currency.	(a) Post-1986 Undistributed Earnings (post-86 section 959(c)(3) balance)	(b) Pre-1987 E&P Not Previously Taxed (pre-87 sec. 959(c)(3) balance)	(c) Previously Taxed E&P (see instructions) (sections 959(c)(1) and (2) balances)			(d) Total Section 964(a) E&P (combine columns (a), (b), and (c))
			(i) Earnings Invested in U.S. Property	(ii) Earnings Invested in Excess Passive Assets	(iii) Subpart F Income	
<b>1</b> Balance at beginning of year	<b>-6,246,166</b>				<b>6,274,120</b>	<b>27,954</b>
<b>2a</b> Current year E&P	<b>34,899,283</b>					
<b>b</b> Current year deficit in E&P						
<b>3</b> Total current and accumulated E&P not previously taxed (line 1 plus line 2a or line 1 minus line 2b)	<b>28,653,117</b>	<b>0</b>				
<b>4</b> Amounts included under section 951(a) or reclassified under section 959(c) in current year	<b>34,899,283</b>				<b>34,899,283</b>	
<b>5a</b> Actual distributions or reclassifications of previously taxed E&P					<b>28,773,718</b>	
<b>b</b> Actual distributions of nonpreviously taxed E&P						
<b>6a</b> Balance of previously taxed E&P at end of year (line 1 plus line 4, minus line 5a)					<b>12,399,685</b>	
<b>b</b> Balance of E&P not previously taxed at end of year (line 3 minus line 4, minus line 5b)	<b>-6,246,166</b>	<b>0</b>				
<b>7</b> Balance at end of year. (Enter amount from line 6a or line 6b, whichever is applicable.)	<b>-6,246,166</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12,399,685</b>	<b>6,153,519</b>

For Paperwork Reduction Act Notice, see the Instructions for Form 5471.

Schedule J (Form 5471) (Rev. 12-2012)

**SCHEDULE O  
(Form 5471)**

Rev. December 2012)

Department of the Treasury  
Internal Revenue Service

**Organization or Reorganization of Foreign Corporation, and Acquisitions and Dispositions of its Stock**

Information about Schedule O (Form 5471) and its instructions is at [www.irs.gov/form5471](http://www.irs.gov/form5471)  
▶ Attach to Form 5471.

OMB No. 1545-0704

Name of person filing Form 5471 <b>MANUGRAPH AMERICAS, INC.</b>		Identifying number <b>25-1756410</b>
Name of foreign corporation <b>RAFFLES INSURANCE LIMITED, C/O KENSINGTON MGMT GRP</b>	EIN (if any) <b>98-0177769</b>	Reference ID number (see instructions) <b>MANUGRAPH5471</b>

**Important:** Complete a separate Schedule O for each foreign corporation for which information must be reported.

**Part I To Be Completed by U.S. Officers and Directors**

(a) Name of shareholder for whom acquisition information is reported	(b) Address of shareholder	(c) Identifying number of shareholder	(d) Date of original 10% acquisition	(e) Date of additional 10% acquisition

**Part II To Be Completed by U.S. Shareholders**

**Note:** If this return is required because one or more shareholders became U.S. persons, attach a list showing the names of such persons and the date each became a U.S. person.

**Section A – General Shareholder Information**

(a) Name, address, and identifying number of shareholder(s) filing this schedule	(b) For shareholder's latest U.S. income tax return filed, indicate:			(c) Date (if any) shareholder last filed information return under section 6046 for the foreign corporation
	(1) Type of return (enter form number)	(2) Date return filed	(3) Internal Revenue Service Center where filed	
<b>MANUGRAPH AMERICAS, INC. 159 DAMHILL ROAD, P.O. BOX 573 ELIZABETHVILLE PA 17023 25-1756410</b>	<b>1120</b>	<b>12/15/16</b>	<b>E-FILED</b>	

**Section B – U.S. Persons Who Are Officers or Directors of the Foreign Corporation**

(a) Name of U.S. officer or director	(b) Address	(c) Social security number	(d) Check appropriate box(es)	
			Officer	Director
<b>SEE ATTACHED STATEMENT</b>				

**Section C – Acquisition of Stock**

(a) Name of shareholder(s) filing this schedule	(b) Class of stock acquired	(c) Date of acquisition	(d) Method of acquisition	(e) Number of shares acquired		
				(1) Directly	(2) Indirectly	(3) Constructively
<b>NOT APPLICABLE</b>						

For Paperwork Reduction Act Notice, see the Instructions for Form 5471.

Schedule O (Form 5471) (Rev. 12-2012)

(f) Amount paid or value given	(g) Name and address of person from whom shares were acquired

**Section D – Disposition of Stock**

(a) Name of shareholder disposing of stock	(b) Class of stock	(c) Date of disposition	(d) Method of disposition	(e) Number of shares disposed of		
				(1) Directly	(2) Indirectly	(3) Constructively
<b>NOT APPLICABLE</b>						

(f) Amount received	(g) Name and address of person to whom disposition of stock was made

**Section E – Organization or Reorganization of Foreign Corporation**

(a) Name and address of transferor	(b) Identifying number (if any)	(c) Date of transfer
<b>NOT APPLICABLE</b>		

(d) Assets transferred to foreign corporation			(e) Description of assets transferred by, or notes or securities issued by, foreign corporation
(1) Description of assets	(2) Fair market value	(3) Adjusted basis (if transferor was U.S. person)	

**Section F – Additional Information**

- (a) If the foreign corporation or a predecessor U.S. corporation filed (or joined with a consolidated group in filing) a U.S. income tax return for any of the last 3 years, attach a statement indicating the year for which a return was filed (and, if applicable, the name of the corporation filing the consolidated return), the taxable income or loss, and the U.S. income tax paid (after all credits).
- (b) List the date of any reorganization of the foreign corporation that occurred during the last 4 years while any U.S. person held 10% or more in value or vote (directly or indirectly) of the corporation's stock ►
- (c) If the foreign corporation is a member of a group constituting a chain of ownership, attach a chart, for each unit of which a shareholder owns 10% or more in value or voting power of the outstanding stock. The chart must indicate the corporation's position in the chain of ownership and the percentages of stock ownership (see instructions for an example).



Form **5472**

(Rev. December 2012)

**Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business**  
(Under Sections 6038A and 6038C of the Internal Revenue Code)

OMB No. 1545-0805

▶ Information about Form 5472 and its separate instructions is at [www.irs.gov/form5472](http://www.irs.gov/form5472).

For tax year of the reporting corporation beginning 04/01/15, and ending 03/31/16

Department of the Treasury  
Internal Revenue Service

**Note.** Enter all information in English and money items in U.S. dollars.

<b>Part I Reporting Corporation</b> (see instructions). All reporting corporations must complete Part I.			
<b>1a</b> Name of reporting corporation <b>MANUGRAPH AMERICAS, INC.</b>		<b>1b</b> Employer identification number <b>25-1756410</b>	
Number, street, and room or suite no. (if a P.O. box, see instructions) <b>159 DAMHILL ROAD, P.O. BOX 573</b>		<b>1c</b> Total assets  <b>\$ 14,072,975</b>	
City or town, state, and ZIP code (if a foreign address, see instructions) <b>ELIZABETHVILLE PA 17023</b>			
<b>1d</b> Principal business activity ▶ <b>SERVICE AND PART S</b>		<b>1e</b> Principal business activity code ▶ <b>423800</b>	
<b>1f</b> Total value of gross payments made or received (see instructions) reported on this Form 5472 <b>\$ 1,044,494</b>		<b>1g</b> Total number of Forms 5472 filed for the tax year <b>1</b>	<b>1h</b> Total value of gross payments made or received (see instructions) reported on all Forms 5472 <b>\$ 1,044,494</b>
<b>1i</b> Check here if this is a consolidated filing of Form 5472 ▶ <input type="checkbox"/>	<b>1j</b> Country of incorporation <b>USA</b>	<b>1k</b> Country(ies) under whose laws the reporting corporation files an income tax return as a resident <b>USA</b>	<b>1l</b> Principal country(ies) where business is conducted <b>USA</b>
<b>2</b> Check here if, at any time during the tax year, any foreign person owned, directly or indirectly, at least 50% of (a) the total voting power of all classes of the stock of the reporting corporation entitled to vote, or (b) the total value of all classes of stock of the reporting corporation ▶ <input type="checkbox"/>			
<b>Part II 25% Foreign Shareholder</b> (see instructions)			
<b>1a</b> Name and address of direct 25% foreign shareholder  <b>MANUGRAPH INDIA, LTD SIDWA HOUSE 1ST FLOOR NA SAWANT MARG COLAB . 400 005 INDIA</b>		<b>1b(1)</b> U.S. identifying number, if any <b>FOREIGNUS</b> <b>1b(2)</b> Reference ID number (see instructions) <b>MANUGRAPHINDIA</b>	
<b>1c</b> Principal country(ies) where business is conducted <b>INDIA</b>	<b>1d</b> Country of citizenship, organization, or incorporation <b>INDIA</b>	<b>1e</b> Country(ies) under whose laws the direct 25% foreign shareholder files an income tax return as a resident <b>INDIA</b>	
<b>2a</b> Name and address of direct 25% foreign shareholder		<b>2b(1)</b> U.S. identifying number, if any  <b>2b(2)</b> Reference ID number (see instructions)	
<b>2c</b> Principal country(ies) where business is conducted	<b>2d</b> Country of citizenship, organization, or incorporation	<b>2e</b> Country(ies) under whose laws the direct 25% foreign shareholder files an income tax return as a resident	
<b>3a</b> Name and address of ultimate indirect 25% foreign shareholder		<b>3b(1)</b> U.S. identifying number, if any  <b>3b(2)</b> Reference ID number (see instructions)	
<b>3c</b> Principal country(ies) where business is conducted	<b>3d</b> Country of citizenship, organization, or incorporation	<b>3e</b> Country(ies) under whose laws the ultimate indirect 25% foreign shareholder files an income tax return as a resident	
<b>4a</b> Name and address of ultimate indirect 25% foreign shareholder		<b>4b(1)</b> U.S. identifying number, if any  <b>4b(2)</b> Reference ID number (see instructions)	
<b>4c</b> Principal country(ies) where business is conducted	<b>4d</b> Country of citizenship, organization, or incorporation	<b>4e</b> Country(ies) under whose laws the ultimate indirect 25% foreign shareholder files an income tax return as a resident	

For Paperwork Reduction Act Notice, see instructions.

Form **5472** (Rev. 12-2012)



**Part III Related Party** (see instructions)  
 Check applicable box: Is the related party a  foreign person or  U.S. person?  
 All reporting corporations must complete this question and the rest of Part III.

<b>1a</b> Name and address of related party  MANUGRAPH INDIA LTD SIDWA HOUSE 1ST FLOOR NA SAWANT MARG COLAB . 400 005 INDIA	<b>1b(1)</b> U.S. identifying number, if any <b>FOREIGNUS</b>  <b>1b(2)</b> Reference ID number (see instructions) MANUGRAPHINDIA
<b>1c</b> Principal business activity ▶ <b>MANUFACTURER</b>	<b>1d</b> Principal business activity code ▶ <b>333310</b>
<b>1e</b> Relationship—Check boxes that apply: <input type="checkbox"/> Related to reporting corporation <input type="checkbox"/> Related to 25% foreign shareholder <input checked="" type="checkbox"/> 25% foreign shareholder	
<b>1f</b> Principal country(ies) where business is conducted  INDIA	<b>1g</b> Country(ies) under whose laws the related party files an income tax return as a resident  INDIA

**Part IV Monetary Transactions Between Reporting Corporations and Foreign Related Party** (see instructions)  
**Caution:** Part IV must be completed if the "foreign person" box is checked in the heading for Part III.  
 If estimates are used, check here ▶

1 Sales of stock in trade (inventory) .....	1	53,151
2 Sales of tangible property other than stock in trade .....	2	
3 Platform contribution transaction payments received .....	3	
4 Cost sharing transaction payments received .....	4	
5a Rents received (for other than intangible property rights) .....	5a	
b Royalties received (for other than intangible property rights) .....	5b	
6 Sales, leases, licenses, etc., of intangible property rights (e.g., patents, trademarks, secret formulas) .....	6	
7 Consideration received for technical, managerial, engineering, construction, scientific, or like services .....	7	
8 Commissions received .....	8	
9 Amounts borrowed (see instructions) a Beginning balance _____ b Ending balance or monthly average ▶ .....	9b	
10 Interest received .....	10	
11 Premiums received for insurance or reinsurance .....	11	
12 Other amounts received (see instructions) .....	12	
13 Total. Combine amounts on lines 1 through 12 .....	13	53,151
14 Purchases of stock in trade (inventory) .....	14	991,343
15 Purchases of tangible property other than stock in trade .....	15	
16 Platform contribution transaction payments paid .....	16	
17 Cost sharing transaction payments paid .....	17	
18a Rents paid (for other than intangible property rights) .....	18a	
b Royalties paid (for other than intangible property rights) .....	18b	
19 Purchases, leases, licenses, etc., of intangible property rights (e.g., patents, trademarks, secret formulas) .....	19	
20 Consideration paid for technical, managerial, engineering, construction, scientific, or like services .....	20	
21 Commissions paid .....	21	
22 Amounts loaned (see instructions) a Beginning balance _____ b Ending balance or monthly average ▶ .....	22b	
23 Interest paid .....	23	
24 Premiums paid for insurance or reinsurance .....	24	
25 Other amounts paid (see instructions) .....	25	
26 Total. Combine amounts on lines 14 through 25 .....	26	991,343

**Part V Nonmonetary and Less-Than-Full Consideration Transactions Between the Reporting Corporation and the Foreign Related Party** (see instructions)  
 Describe these transactions on an attached separate sheet and check here. ▶

**Part VI Additional Information**

All reporting corporations must complete Part VI.

1 Does the reporting corporation import goods from a foreign related party? .....	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
2a If "Yes," is the basis or inventory cost of the goods valued at greater than the customs value of the imported goods? .....	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If "No," do not complete b and c below.		
b If "Yes," attach a statement explaining the reason or reasons for such difference.		
c If the answers to questions 1 and 2a are "Yes," were the documents used to support this treatment of the imported goods in existence and available in the United States at the time of filing Form 5472? .....	<input type="checkbox"/> Yes	<input type="checkbox"/> No
3 During the tax year, was the foreign parent corporation a participant in any cost sharing arrangement? .....	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
4 During the course of the tax year, did the foreign parent corporation become a participant in any cost sharing arrangement? .....	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Form **8916-A**

**Supplemental Attachment to Schedule M-3**

OMB No. 1545-0123

Department of the Treasury  
Internal Revenue Service

▶ Attach to Schedule M-3 for Form 1065, 1120, 1120-L, 1120-PC, or 1120S.  
▶ Information about Form 8916-A and its instructions is at [www.irs.gov/form1120](http://www.irs.gov/form1120).

**2015**

Name of common parent

Employer identification number

**MANUGRAPH AMERICAS, INC.**

**25-1756410**

Name of subsidiary

Employer identification number

**Part I Cost of Goods Sold**

Cost of Goods Sold Items	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1 Amounts attributable to cost flow assumptions				
2 Amounts attributable to:				
a Stock option expense				
b Other equity based compensation				
c Meals and entertainment				
d Parachute payments				
e Compensation with section 162(m) limitation				
f Pension and profit sharing				
g Other post-retirement benefits				
h Deferred compensation				
i Reserved				
j Amortization				
k Depletion				
l Depreciation				
m Corporate owned life insurance premiums				
n Other section 263A costs		-51,511		-51,511
3 Inventory shrinkage accruals				
4 Excess inventory and obsolescence reserves				
5 Lower of cost or market write-downs				
6 Other items with differences (attach stmt) <b>STMT 23</b>	55,579	54,798		110,377
7 Other items with no differences	5,300,046			5,300,046
8 Total cost of goods sold. Add lines 1 through 7 in columns a, b, c, and d. Enter totals on the applicable Schedule M-3. See instructions	5,355,625	3,287		5,358,912

For Paperwork Reduction Act Notice, see instructions.

Form **8916-A** (2015)

**THERE ARE NO AMOUNTS FOR PAGE 2**



Charitable Contribution Carryover Worksheet			2015
Form <b>1120</b>	For calendar year 2015 or tax year beginning <b>04/01/15</b> , ending <b>03/31/16</b>		
Name <b>MANUGRAPH AMERICAS, INC.</b>			Employer Identification Number <b>25-1756410</b>

Regular Tax Calculations						
		Prior Year		Current Year		Next Year
Preceding Tax Year	Excess Contributions	Utilized Or Reclassed to NOL	Carryover	Reclassified to NOL <small>(Reg.Sec. 1.170A-11(c)(2))</small>	Carryovers Utilized	Carryover
5th 03/31/11	498		498			
4th 03/31/12	25		25			25
3rd 03/31/13						
2nd 03/31/14	1,000		1,000			1,000
1st 03/31/15						
Charitable Contribution Carryover To Current Year - Regular			1,523			
Current Year			0			0
Charitable Contribution Carryover Available To Next Year						1,025

Alternative Minimum Tax Calculations						
		Prior Year		Current Year		Next Year
Preceding Tax Year	Excess Contributions	Utilized Or Reclassed to NOL	Carryover	Reclassified to NOL <small>(Reg.Sec. 1.170A-11(c)(2))</small>	Carryovers Utilized	Carryover
5th 03/31/11	498		498			
4th 03/31/12	25		25			25
3rd 03/31/13						
2nd 03/31/14	1,000		1,000			1,000
1st 03/31/15						
AMT Charitable Contribution Carryover To Current Year			1,523			
Current Year			0			0
AMT Charitable Contribution Carryover Available To Next Year						1,025

Form <b>1120</b>	<b>Net Operating Loss Carryover Worksheet - Regular Tax</b>	<b>2015</b>
For calendar year 2015 or tax year beginning <b>04/01/15</b> , ending <b>03/31/16</b>		

Name <b>MANUGRAPH AMERICAS, INC.</b>	Employer Identification Number <b>25-1756410</b>
---	---

Preceding Taxable Year	Adj. To NOL Inc/(Loss) After Adj.	Prior Year		Current Year	Next Year
		NOL Utilized (Income Offset)	Carryovers	Income Offset By NOL Carryback/Carryover NOL Utilized	Carryover
18th 03/31/98					
17th 03/31/99					
16th 03/31/00					
15th 03/31/01					
14th 03/31/02					
13th 03/31/03					
12th 03/31/04					
11th 03/31/05					
10th 03/31/06					
9th 03/31/07					
8th 03/31/08	-1,812,408	781,224	1,031,184		1,031,184
7th 03/31/09	-4,466,048		4,466,048		4,466,048
6th 03/31/10	-5,739,923		5,739,923		5,739,923
5th 03/31/11	-2,670,200		2,670,200		2,670,200
4th 03/31/12	-971,024		971,024		971,024
3rd 03/31/13	-1,493,177		1,493,177		1,493,177
2nd 03/31/14	-554,283		554,283		554,283
1st 03/31/15	-236,037		236,037		236,037
NOL Carryover Available To Current Year			17,161,876		
Current Year	0 -617,537				617,537
NOL Carryover Available To Next Year					17,779,413

<b>Net Operating Loss Carryover Worksheet - AMT</b>		<b>2015</b>
Form <b>1120</b>	For calendar year 2015 or tax year beginning <b>04/01/15</b> , ending <b>03/31/16</b>	
Name <b>MANUGRAPH AMERICAS, INC.</b>		Employer Identification Number <b>25-1756410</b>

Preceding Taxable Year	Adj. To NOL Inc/(Loss) After Adj.	Prior Year		Current Year	Next Year
		NOL Utilized (Income Offset)	Carryovers	Income Offset By NOL Carryback/ Carryover NOL Utilized	Carryover
18th 03/31/98					
17th 03/31/99					
16th 03/31/00					
15th 03/31/01					
14th 03/31/02					
13th 03/31/03					
12th 03/31/04					
11th 03/31/05					
10th 03/31/06					
9th 03/31/07					
8th 03/31/08	-1,594,240	781,224	813,016		813,016
7th 03/31/09	-4,403,473		4,403,473		4,403,473
6th 03/31/10	-5,803,515		5,803,515		5,803,515
5th 03/31/11	-2,747,467		2,747,467		2,747,467
4th 03/31/12	-1,056,051		1,056,051		1,056,051
3rd 03/31/13	-1,564,355		1,564,355		1,564,355
2nd 03/31/14	-607,816		607,816		607,816
1st 03/31/15	-233,197		233,197		233,197
NOL Carryover Available To Current Year			17,228,890		
Current Year	0 -614,323				614,323
NOL Carryover Available To Next Year <b>STMT 24</b>					17,843,213

27475 Manugraph Americas, Inc.  
25-1756410  
FYE: 3/31/2016

## Federal Statements

### Statement 1 - Form 1120, Page 1, Line 10 - Other Income

<u>Description</u>	<u>Amount</u>
MISCELLANEOUS INCOME	\$ 18,774
LEASED AUTO INCLUSION	130
TOTAL	<u>\$ 18,904</u>

### Statement 2 - Form 1120, Page 1, Line 19 - Charitable Contributions

<u>Description</u>	<u>Amount</u>
CARRYOVER FROM PRIOR YEARS	\$ 1,523
TOTAL CONTRIBUTIONS AVAILABLE	1,523
LESS CONTRIBUTIONS DISALLOWED	1,523
LESS QCC CONTRIBUTIONS DISALL	0
TOTAL DEDUCTION ALLOWED	<u>\$ 0</u>

### Statement 3 - Form 1120, Page 1, Line 26 - Other Deductions

<u>Description</u>	<u>Amount</u>
RESEARCH & DEVELOPMENT	\$ 70,999
INSURANCE	182,463
OFFICE EXPENSE	41,550
POSTAGE & TELEPHONE	24,541
ADMINISTRATIVE COSTS	5,737
BANK FEES	37,630
PROFESSIONAL FEES	63,123
DUES/SUBSCRIPTIONS	3,278
TRANSPORTATION	28,323
COMMISSIONS	44,431
COMPUTER EXPENSE	46,141
TRAINING CENTER	1,456
TRADE SHOW	10,159
MISCELLANEOUS	6,083
UTILITIES	77,597
PLANT EXPENSE	39,649
TRAVEL EXPENSE	36,687
AMORTIZATION	939,023
50% OF MEALS & ENTERTAINMENT	2,294
TOTAL	<u>\$ 1,661,164</u>



**Federal Statements**

**Statement 4 - Form 1120, Page 5, Schedule L, Line 6 - Other Current Assets**

Description	Beginning of Year	End of Year
PREPAID EXPENSES	\$ 52,015	\$ 40,017
DEPOSITS	24,403	20,200
TEMPORARY ADVANCES	2,539	2,044
OTHER RECEIVABLES	6,616	7,342
DEFERRED INCOME TAXES	979,687	922,494
DEFERRED COMMISSIONS	0	94,320
TOTAL	<u>\$ 1,065,260</u>	<u>\$ 1,086,417</u>

**Statement 5 - Form 1120, Page 5, Schedule L, Line 9 - Other Investments**

Description	Beginning of Year	End of Year
CAPTIVE INSURANCE	\$ 31,000	\$ 31,000
TOTAL	<u>\$ 31,000</u>	<u>\$ 31,000</u>

**Statement 6 - Form 1120, Page 5, Schedule L, Line 14 - Other Assets**

Description	Beginning of Year	End of Year
DEFERRED INCOME TAXES	\$ 6,113,898	\$ 6,123,648
TOTAL	<u>\$ 6,113,898</u>	<u>\$ 6,123,648</u>

**Statement 7 - Form 1120, Page 5, Schedule L, Line 18 - Other Current Liabilities**

Description	Beginning of Year	End of Year
ACCRUED COMPENSATION	\$ 126,860	\$ 94,663
ACCRUED WARRANTY RESERVE	143,010	161,672
ACCRUED OTHER	50,299	71,861
CUSTOMER ADVANCES	921,668	2,194,582
CASH OVERDRAFT	26,795	15,980
LINE OF CREDIT	1,744,644	1,519,181
TOTAL	<u>\$ 3,013,276</u>	<u>\$ 4,057,939</u>

27475 Manugraph Americas, Inc.  
25-1756410  
FYE: 3/31/2016

## Federal Statements

### Statement 8 - Form 1125-A, Line 4 - Additional Section 263A Costs

<u>Description</u>	<u>Amount</u>
IRC 263A COSTS	\$ -51,511
TOTAL	<u>\$ -51,511</u>

### Statement 9 - Form 1125-A, Line 5 - Other Costs

<u>Description</u>	<u>Amount</u>
SUBCONTRACT	\$ 4,790
WARRANTY	36,917
OVERHEAD APPLIED	385,534
OTHER COSTS	<u>155,946</u>
TOTAL	<u>\$ 583,187</u>



27475 Manugraph Americas, Inc.  
 25-1756410  
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## Federal Statements

### Statement 10 - Schedule M-3, P2, Part II, Line 3 - Subpart F, QEF and Similar Income Inclusions

Name	EIN	Type of Entity	Temporary Difference	Permanent Difference	Income (Loss) per Tax Return
RAFFLES INSURANCE LIMITED	98-0177769	FOREIGN CORP	\$ 0	\$ 38,043	\$ 38,043
<b>TOTAL</b>			<b>\$ 0</b>	<b>\$ 38,043</b>	<b>\$ 38,043</b>

### Statement 11 - Schedule M-3, P2, Part II, Line 25 - Other Income (Loss) Items With Differences

Description	Income (Loss) per Inc Stmt	Temporary Difference	Permanent Difference	Income (Loss) per Tax Return
LEASED AUTO INCLUSION	\$ 0	\$ 130	\$ 130	\$ 130
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 130</b>	<b>\$ 130</b>	<b>\$ 130</b>

### Statement 12 - Schedule M-3, P3, Part III, Line 37 - Other Items With Differences

Description	Expense per Inc Stmt	Temporary Difference	Permanent Difference	Deduction per Tax Return
ACCRUED VACATION	\$ -8,443	\$ -8,443	\$ 0	\$ -8,443
PREPAID EXPENSE	\$ 0	\$ -2,107	\$ 0	\$ -2,107
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ -10,550</b>	<b>\$ 0</b>	<b>\$ -10,550</b>

27475 Manugraph Americas, Inc.  
25-1756410  
FYE: 3/31/2016

## Federal Statements

Raffles Insurance Limited, c/o Kensington Mgmt Grp  
Statement 13 - Form 5471, Page 1, Item B - Category 3 Filer Statement

Name \_\_\_\_\_ Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_ Country Name \_\_\_\_\_ ID Number \_\_\_\_\_ Number Shares \_\_\_\_\_ Debt Amount \_\_\_\_\_ Debt Type \_\_\_\_\_

SEE ATTACHED STATEMENT

\$

27475 Manugraph Americas, Inc.  
 25-1756410  
 FYE: 3/31/2016

## Federal Statements

**Raffles Insurance Limited, c/o Kensington Mgmt Grp**  
**Statement 14 - Form 5471, Page 2, Schedule C, Line 8 - Other Income**

Description	Functional Currency	US Dollars
CLAIMS INDEMNIFICATIONS		\$ 26,018,976
PROVISIONAL CLAIMS INDEMNIFIC		13,558,327
TOTAL	0	\$ 39,577,303

**Raffles Insurance Limited, c/o Kensington Mgmt Grp**  
**Statement 15 - Form 5471, Page 2, Schedule C, Line 16 - Other Deductions**

Description	Functional Currency	US Dollars
LOSSES INCURRED		\$ 190,066,715
POLICY ISSUANCE & PROGRAM COS		58,312,033
UNREALIZED LOSSES ON SECURITI		31,936,335
ADMINISTRATIVE COSTS		5,420,321
REINSURANCE PREMIUM		21,581,112
TOTAL	0	\$ 307,316,516

**Raffles Insurance Limited, c/o Kensington Mgmt Grp**  
**Statement 16 - Form 5471, Page 3, Schedule F, Line 4 - Other Current Assets**

Description	Beginning of Year	End of Year
INSURANCE BALANCES RECEIVALBE	\$ 25,878,010	\$ 27,589,947
PREMIUMS DUE FROM CEDING INSU	8,866,438	6,119,411
PREPAID EXPENSES & OTHER A/R	80,854	99,376
TOTAL	\$ 34,825,302	\$ 33,808,734

**Raffles Insurance Limited, c/o Kensington Mgmt Grp**  
**Statement 17 - Form 5471, Page 3, Schedule F, Line 7 - Other Investments**

Description	Beginning of Year	End of Year
THE CAPTIVE INVESTORS FUND	\$ 400,459,955	\$ 429,244,060
TOTAL	\$ 400,459,955	\$ 429,244,060



27475 Manugraph Americas, Inc.  
 25-1756410  
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## Federal Statements

**Raffles Insurance Limited, c/o Kensington Mgmt Grp**  
**Statement 18 - Form 5471, Page 3, Schedule F, Line 12 - Other Assets**

Description	Beginning of Year	End of Year
PROVISIONAL CLAIMS INDEMNIFIC	\$ 128,685,190	\$ 142,243,517
LOSS ESCROW FUNDS WITHHELD	73,287,583	73,287,583
DEFERRED CASH FLOW PREMIUMNS	51,308,711	56,661,473
INSURANCE BALANCES RECEIVABLE	5,622,694	5,180,928
TOTAL	<u>\$ 258,904,178</u>	<u>\$ 277,373,501</u>

**Raffles Insurance Limited, c/o Kensington Mgmt Grp**  
**Statement 19 - Form 5471, Page 3, Schedule F, Line 15 - Other Current Liabilities**

Description	Beginning of Year	End of Year
ACCOUNTS PAYABLE & OTHER LIAB	\$ 1,110,372	\$ 1,390,275
DIVIDENDS PAYABLE	743,262	930,147
LOSSESS PAYABLE	12,009,156	13,695,668
TOTAL	<u>\$ 13,862,790</u>	<u>\$ 16,016,090</u>

**Raffles Insurance Limited, c/o Kensington Mgmt Grp**  
**Statement 20 - Form 5471, Page 3, Schedule F, Line 17 - Other Liabilities**

Description	Beginning of Year	End of Year
LOSS RESERVES	\$ 138,934,055	\$ 151,481,222
INCURRED BUT NOT REPORTED RES	303,306,996	325,252,593
TOTAL	<u>\$ 442,241,051</u>	<u>\$ 476,733,815</u>

**Raffles Insurance Limited, c/o Kensington Mgmt Grp**  
**Statement 21 - Form 5471, Page 3, Schedule F, Line 19 - Paid-In or Capital Surplus**

Description	Beginning of Year	End of Year
PAID-IN OR CAPITAL SURPLUS	\$ 84,237,174	\$ 93,578,267
TOTAL	<u>\$ 84,237,174</u>	<u>\$ 93,578,267</u>

27475 Manugraph Americas, Inc.  
25-1756410  
FYE: 3/31/2016

## Federal Statements

**Raffles Insurance Limited, c/o Kensington Mgmt Grp**  
**Statement 22 - Form 5471, Page 4, Schedule H, Line 2h - Other Adjustments**

<u>Description</u>	<u>Net Addition</u>	<u>Net Subtraction</u>
PROVISIONAL CLAIMS INDEMNIFIC	\$ 31,936,335	\$ 13,558,327
UNREALIZED LOSSES ON SECURITI		1,740,556
LOSS RESERVE DISCOUNTING		
TOTAL	<u>\$ 31,936,335</u>	<u>\$ 15,298,883</u>

27475 Manugraph Americas, Inc.  
 25-1756410  
 FYE: 3/31/2016

## Federal Statements

### Statement 23 - Form 8916-A. Page 1. Part I. Line 6 - Other Items With Differences

Description	Expense per Inc Stmt	Temporary Difference	Permanent Difference	Deduction per Tax Return
WARRANTY RESERVE	\$ 55,579	-18,662	\$	\$ 36,917
PARTS INVENTORY RESERVE		73,460		73,460
TOTAL	\$ 55,579	\$ 54,798	\$ 0	\$ 110,377



27475 Manugraph Americas, Inc.  
25-1756410  
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## Federal Statements

### Statement 24 - AMT NOL Carryover Worksheet - Footnote Explanation

NON-SRLY AMT NOL NOT SUBJECT TO 90% AMTI LIMIT  
03/31/2010 ORIGINAL LOSS 5,803,515

Year Ending: March 31, 2016

25-1756410

Manugraph Americas, Inc.  
159 Damhill Road, P.O. Box 573  
Elizabethville, PA 17023

**Section 1.263(a)-1(f) De Minimis Safe Harbor Election**

Under Regulation 1.263(a)-1(f), the taxpayer hereby elects to apply the de minimis safe harbor election to all qualifying property placed in service during the tax year.

Year Ending: March 31, 2016

25-1756410

Manugraph Americas, Inc.  
159 Damhill Road, P.O. Box 573  
Elizabethville, PA 17023

**Electing out of the Bonus Depreciation Allowance for  
All Eligible Depreciable Property**

The taxpayer elects out of the first-year bonus depreciation allowance under IRC Section 168(k) for all eligible asset classes. This election applies to all eligible depreciable property placed in service during the tax year ended 3/31/16.



Form <b>4626</b>	<b>Adjusted Current Earnings (ACE) Worksheet</b>	<b>2015</b>
For calendar year 2015 or tax year beginning <b>04/01/15</b> , ending <b>03/31/16</b>		

Name <b>MANUGRAPH AMERICAS, INC.</b>	Employer Identification Number <b>25-1756410</b>
---	---

Form 4626 - Line 4a			
1	Pre-adjustment AMTI. Enter the amount from line 3 of Form 4626	1	- 614,323
2	ACE depreciation adjustment:		
a	AMT depreciation	2a	93,482
b	ACE depreciation:		
(1)	Post-1993 property	2b(1)	93,482
(2)	Post-1989, pre-1994 property	2b(2)	
(3)	Pre-1990 MACRS property	2b(3)	
(4)	Pre-1990 original ACRS property	2b(4)	
(5)	Property described in sections 168(f)(1) through (4)	2b(5)	
(6)	Other property	2b(6)	
(7)	Total ACE depreciation. Add lines 2b(1) through 2b(6)	2b(7)	93,482
c	ACE depreciation adjustment. Subtract line 2b(7) from line 2a	2c	
3	Inclusion in ACE of items included in earnings and profits (E&P):		
a	Tax-exempt interest income	3a	
b	Death benefits from life insurance contracts	3b	
c	All other distributions from life insurance contracts (including surrenders)	3c	
d	Inside buildup of undistributed income in life insurance contracts	3d	
e	Other items (see Regulations sections 1.56(g)-1(c)(6)(iii) through (ix) for a partial list)	3e	
f	Total increase to ACE from inclusion in ACE of items included in E&P. Add lines 3a through 3e	3f	
4	Disallowance of items not deductible from E&P:		
a	Certain dividends received	4a	
b	Dividends paid on certain preferred stock of public utilities that are deductible under section 247	4b	
c	Dividends paid to an ESOP that are deductible under section 404(k)	4c	
d	Nonpatronage dividends that are paid and deductible under section 1382(c)	4d	
e	Other items (see Regulations sections 1.56(g)-1(d)(3)(i) and (ii) for a partial list)	4e	
f	Total increase to ACE because of disallowance of items not deductible from E&P. Add lines 4a through 4e	4f	
5	Other adjustments based on rules for figuring E&P:		
a	Intangible drilling costs	5a	
b	Circulation expenditures	5b	
c	Organizational expenditures	5c	
d	LIFO inventory adjustments	5d	
e	Installment sales	5e	
f	Total other E&P adjustments. Combine lines 5a through 5e	5f	
6	Disallowance of loss on exchange of debt pools	6	
7	Acquisition expenses of life insurance companies for qualified foreign contracts	7	
8	Depletion	8	
9	Basis adjustments in determining gain or loss from sale or exchange of pre-1994 property	9	
10	Adjusted current earnings. Combine lines 1, 2c, 3f, 4f, and 5f through 9. Enter the result here and on line 4a of Form 4626	10	- 614,323

27475 Manugraph Americas, Inc.  
25-1756410  
FYE: 3/31/2016

## Federal Statements

### Form 1120, Page 1, Line 17 - Taxes and Licenses

<u>Description</u>	<u>Amount</u>
PAYROLL TAXES	\$ 91,867
OTHER TAXES	9,197
REAL ESTATE TAXES	28,752
TOTAL	<u>\$ 129,816</u>

### Form 1120, Page 1, Line 24 - Employee Benefit Programs

<u>Description</u>	<u>Amount</u>
EMPLOYEE BENEFIT PROGRAM	\$ 185,614
TOTAL	<u>\$ 185,614</u>

27475 Manugraph Americas, Inc.  
25-1756410  
FYE: 3/31/2016

## Federal Statements

### Form 4626, Page 1, Line 2a - Depreciation of Post-1986 Property

<u>Description</u>	<u>Amount</u>
OTHER POST-1986 DEPR ADJ	\$ 3,214
TOTAL	\$ <u>3,214</u>



27475 Manugraph Americas, Inc.  
25-1756410  
FYE: 3/31/2016

## Federal Statements

### Form 1125-A, Line 2 Purchases

<u>Description</u>	<u>Amount</u>
PURCHASES	\$ 4,067,092
CHANGE IN INVENTORY	1,429,849
TOTAL	<u>\$ 5,496,941</u>

### Form 1125-A, Line 3 - Cost of Labor

<u>Description</u>	<u>Amount</u>
COST OF LABOR	\$ 760,144
TOTAL	<u>\$ 760,144</u>

**Raffles Insurance Limited**  
**Fiscal Year Ending March 31, 2016**

**Statement 1**

The shareholders of Raffles Insurance Limited meet Form 5471 Category 3 and 5 filing requirements because of IRC Section 953(c). None of the shareholders meet the 10% ownership requirement stated in the instructions for Form 5471 Schedule B. Accordingly, no shareholder list is required per the instructions.

**Raffles Insurance Limited**  
**Fiscal Year Ending March 31, 2016**

**Statement 5**

**Category 3 Filers Additional Filing Requirements**

Amount and type of any indebtedness the foreign corporation has with the related persons described in Regulations section 1.6046-1(b)(11)

N/A

Name, address, identifying number, and number of shares subscribed to by each subscriber to the foreign corporation's stock

N/A



**Raffles Insurance Limited**  
**Fiscal Year Ending March 31, 2016**

Schedule O - Section F - Additional Information

Raffles Insurance Limited filed Form 1120-F U.S. Income Tax Return of a Foreign Corporation for its fiscal 2013, 2014 and 2015 tax years. The company had no taxable income and no tax due on the returns.

*MANUGRAPH AMERICAS, INC.  
AND SUBSIDIARY*

*YEARS ENDED  
MARCH 31, 2017 AND 2016*

*MANUGRAPH AMERICAS, INC. AND SUBSIDIARY*

YEARS ENDED MARCH 31, 2017 AND 2016

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## Independent Auditors' Report

Stockholder  
Manugraph Americas, Inc.  
Elizabethville, Pennsylvania

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

We have audited the accompanying consolidated financial statements of Manugraph Americas, Inc. and subsidiary (the Company), which comprise the consolidated balance sheets as of March 31, 2017 and 2016, and the related consolidated statements of income, changes in stockholder's equity and cash flows for the years then ended and the related notes to the consolidated financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Manugraph Americas, Inc. and subsidiary as of March 31, 2017 and 2016, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*Brown Schultz Steindler & Fritz*

Camp Hill, Pennsylvania  
May 19, 2017

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**MANUGRAPH AMERICAS, INC. AND SUBSIDIARY**

CONSOLIDATED BALANCE SHEETS – MARCH 31, 2017 AND 2016

ASSETS		2017	2016
		<u>          </u>	<u>          </u>
Current assets:			
Accounts receivable:			
Trade, net of allowance for doubtful accounts of \$257,698 in 2017 and \$249,627 in 2016		\$ 455,714	\$ 593,209
Other		5,799	7,342
Inventory, net of reserves of \$1,618,551 in 2017 and \$1,694,555 in 2016		1,920,805	4,043,943
Deposits			20,200
Prepaid expenses		59,528	42,061
Deferred income taxes		857,000	922,494
Deferred commissions			94,320
		<u>          </u>	<u>          </u>
Total current assets		<u>3,298,846</u>	<u>5,723,569</u>
Property, plant and equipment:			
Land and land improvements		184,614	257,484
Buildings and leasehold improvements		2,921,820	2,996,820
Machinery and equipment		2,765,110	2,747,005
Toolings and patterns		512,151	510,951
Office equipment		656,448	646,929
		<u>          </u>	<u>          </u>
		7,040,143	7,159,189
Accumulated depreciation		<u>(5,055,511)</u>	<u>(4,964,431)</u>
		<u>          </u>	<u>          </u>
Net cost of property, plant and equipment		<u>1,984,632</u>	<u>2,194,758</u>
Other assets:			
Other assets		31,000	31,000
Deferred income taxes		1,073,000	6,123,648
		<u>          </u>	<u>          </u>
		1,104,000	6,154,648
		<u>          </u>	<u>          </u>
Total assets		<u>\$ 6,387,478</u>	<u>\$ 14,072,975</u>

See notes to consolidated financial statements.

LIABILITIES AND STOCKHOLDER'S EQUITY

	2017	2016
Current liabilities:		
Cash overdraft	\$ 47,431	\$ 15,980
Line of credit	927,891	1,519,181
Current portion of long-term debt	9,827	9,827
Accounts payable	337,590	729,405
Accrued:		
Compensation	82,054	94,663
Other	70,874	71,861
Warranty reserve	153,771	161,672
Customer advances	408,572	2,194,582
	2,038,010	4,797,171
Long-term liabilities, vehicle loan	28,663	38,490
Total liabilities	2,066,673	4,835,661
Stockholder's equity:		
Preferred stock, no par value, 400,000 shares authorized, 100,000 shares of class A issued and outstanding at March 31, 2017 and 2016	1,000	1,000
Common stock, no par value, 600,000 shares authorized, 388,290 shares issued at March 31, 2017 and 2016	3,883	3,883
Additional paid-in capital	13,456,178	13,456,178
Deficit	(9,065,256)	(4,148,747)
	4,395,805	9,312,314
Treasury stock, 7,500 common shares, at cost	(75,000)	(75,000)
Total stockholder's equity	4,320,805	9,237,314
Total liabilities and stockholder's equity	\$ 6,387,478	\$ 14,072,975

**MANUGRAPH AMERICAS, INC. AND SUBSIDIARY**

CONSOLIDATED STATEMENTS OF INCOME (LOSS)

YEARS ENDED MARCH 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
Sales:		
New/used units	\$ 7,479,875	\$ 4,382,849
Parts	2,699,540	2,905,448
Service	351,824	447,094
Agency fee and rental income	<u>223,780</u>	<u>58,154</u>
Total sales	<u>10,755,019</u>	<u>7,793,545</u>
Cost of goods sold:		
Materials	6,363,813	4,097,249
Other expenses	<u>1,682,425</u>	<u>1,258,376</u>
Total cost of goods sold	<u>8,046,238</u>	<u>5,355,625</u>
Gross profit	<u>2,708,781</u>	<u>2,437,920</u>
Operating expenses:		
Selling	593,577	367,462
General and administrative	472,828	477,635
Research and development expense	72,814	70,999
Plant expense	<u>1,274,775</u>	<u>1,119,745</u>
Total operating expenses	<u>2,413,994</u>	<u>2,035,841</u>
Income from operations	<u>294,787</u>	<u>402,079</u>

(continued)



**MANUGRAPH AMERICAS, INC. AND SUBSIDIARY**

CONSOLIDATED STATEMENTS OF INCOME (LOSS) (CONTINUED)

YEARS ENDED MARCH 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
Other income (expense):		
Interest:		
Income	\$ 11	
Expense and finance charges	(69,344)	\$ (82,654)
Loss on sale of property, plant and equipment	(41,897)	
Other	<u>16,076</u>	<u>18,774</u>
Total other expense	<u>(95,154)</u>	<u>(63,880)</u>
Income before income tax expense	199,633	338,199
Income tax expense	<u>5,116,142</u>	<u>53,191</u>
Net income (loss)	<u><u>\$ (4,916,509)</u></u>	<u><u>\$ 285,008</u></u>

See notes to consolidated financial statements.

**MANUGRAPH AMERICAS, INC. AND SUBSIDIARY**

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY

YEARS ENDED MARCH 31, 2017 AND 2016

	<u>Preferred stock</u>	<u>Common stock</u>	<u>Additional paid-in capital</u>	<u>Retained earnings (deficit)</u>	<u>Treasury stock</u>	<u>Total</u>
Balance, April 1, 2015	\$ 1,000	\$ 3,883	\$ 13,456,178	\$ (4,433,755)	\$ (75,000)	\$ 8,952,306
Net income				285,008		285,008
Balance, March 31, 2016	1,000	3,883	13,456,178	(4,148,747)	(75,000)	9,237,314
Net loss				(4,916,509)		(4,916,509)
Balance, March 31, 2017	<u>\$ 1,000</u>	<u>\$ 3,883</u>	<u>\$ 13,456,178</u>	<u>\$ (9,065,256)</u>	<u>\$ (75,000)</u>	<u>\$ 4,320,805</u>

See notes to consolidated financial statements.

**MANUGRAPH AMERICAS, INC. AND SUBSIDIARY**

CONSOLIDATED STATEMENTS OF CASH FLOWS

YEARS ENDED MARCH 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities:		
Net income (loss)	\$ (4,916,509)	\$ 285,008
Adjustments:		
Deferred income taxes	5,116,142	47,443
Depreciation and amortization	132,053	121,032
Loss on sale of property, plant and equipment	41,897	
Change in operating assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	139,038	(109,548)
Inventory	2,123,138	(1,429,849)
Deposits	20,200	4,203
Prepaid expenses	(17,467)	12,493
Deferred commissions	94,320	(94,320)
Increase (decrease) in:		
Accounts payable	(391,815)	157,256
Accrued compensation	(12,609)	(32,198)
Warranty reserve	(7,901)	18,662
Customer advances	(1,786,010)	1,272,914
Other current liabilities	(987)	21,562
Total adjustments	<u>5,449,999</u>	<u>(10,350)</u>
Net cash provided by operating activities	<u>533,490</u>	<u>274,658</u>

(continued)



**MANUGRAPH AMERICAS, INC. AND SUBSIDIARY**

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)

YEARS ENDED MARCH 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
Cash flows from investing activities:		
Purchase of property, plant and equipment	\$ (28,824)	\$ (28,338)
Proceeds from sale of property, plant and equipment	<u>65,000</u>	<u>          </u>
Net cash provided by (used in) investing activities	<u>36,176</u>	<u>(28,338)</u>
Cash flows from financing activities:		
Increase (decrease) in cash overdraft	31,451	(10,815)
Borrowings on line of credit	6,743,655	
Repayments on line of credit	(7,334,945)	(225,463)
Payment of capital lease		(9,223)
Principal payments on long-term debt	<u>(9,827)</u>	<u>(819)</u>
Net cash used in financing activities	<u>(569,666)</u>	<u>(246,320)</u>
Net change in cash	-	-
Cash:		
Beginning of year	<u>          </u>	<u>          </u>
End of year	<u>\$ -</u>	<u>\$ -</u>
Supplemental disclosures of cash flow information:		
Cash paid during the period for interest	\$ 71,240	\$ 82,168
Non-cash investing and financing activities:		
Property, plant and equipment acquired through long-term debt		\$ 49,136

See notes to consolidated financial statements.

## **MANUGRAPH AMERICAS, INC. AND SUBSIDIARY**

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED MARCH 31, 2017 AND 2016

#### **1. Nature of activities:**

Manugraph Americas, Inc. (formerly known as Manugraph DGM, Inc.) is a leading manufacturer and supplier of printing presses and of parts and service for printing systems in the newspaper and commercial printing market. The Company's primary products include single width printing presses and folders used to print newspapers, inserts, magazines and other written or graphic material and related parts and accessories. The Company is located in central Pennsylvania and sells to both domestic and international customers. Included within the accounts of Manugraph Americas, Inc. is a wholly owned subsidiary, Offset Services, Inc. (OSI), which is inactive. The Company retains legal ownership of the subsidiary and its name.

Manugraph Americas, Inc. is a wholly owned subsidiary of Manugraph India Ltd. (the Parent Company). Manugraph India Ltd. is India's largest manufacturer of newspaper web offset printing presses, with manufacturing facilities at Kolhapur, Maharashtra, and is traded on the Bombay stock exchange. Management believes that, on a combined basis, the entities form the world's largest single width press manufacturing company.

#### **2. Summary of significant accounting policies:**

##### *Basis for financial statement presentation:*

The Company's consolidated financial statements are prepared in accordance with United States generally accepted accounting principles.

##### *Accounts receivable:*

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. The Company generally does not require collateral on credit sales but generally requires customer advances on most sales.

**MANUGRAPH AMERICAS, INC. AND SUBSIDIARY**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED MARCH 31, 2017 AND 2016

**2. Summary of significant accounting policies (continued):**

*Inventory:*

Inventory is stated at the lower of cost or market. The average cost method is used for materials and parts. Work-in-process and finished press inventory also include actual direct labor. Due to excess capacity of the facility, most plant expenses are considered fixed costs and only labor burden costs are allocated to inventory. Finished press and used equipment is carried using specific cost methodology. Valuation allowances are provided for obsolete and slow-moving inventory to write cost down to net realizable value, if necessary. The reserve for materials is calculated based on an analysis of the number of years items have been in inventory. Reserves for finished press and used equipment are adjusted based upon management's estimate of realistic market resale values.

*Property, plant and equipment and depreciation:*

These assets are stated at cost. Depreciation is provided on the straight-line method over the estimated useful lives of the assets.

*Deposits:*

Deposits consist of prepayments to vendors for the purchase of component equipment that is called for by its customer sales contracts. These amounts are recognized as expense when the related sales revenue is recognized.

*Customer advances:*

Customer advances are collected in accordance with the terms of certain sales contracts. Such amounts are deferred and used to offset future billings.

*Revenue and cost recognition:*

The Company generally recognizes revenue upon shipment and passage of title to customers, or if applicable, the installation of its products, or when a service is completed.

*Auxiliary suppliers pass-through costs:*

At times, the Company purchases certain auxiliary equipment for resale to its customers along with its manufactured products. No pass-through activity occurred during 2017 or 2016.

**MANUGRAPH AMERICAS, INC. AND SUBSIDIARY**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED MARCH 31, 2017 AND 2016

**2. Summary of significant accounting policies (continued):**

*Warranty reserve:*

The Company provides a warranty to its customers upon the sale of its products. A warranty reserve liability is carried based on management's estimates of future costs to be incurred during the term of its existing warranty periods.

*Advertising costs:*

The Company expenses advertising costs as incurred. Expenses incurred were \$11,851 and \$12,616 for 2017 and 2016, respectively.

*Research and development costs:*

Research and development costs are charged to expense as incurred.

*Use of estimates:*

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

*Subsequent events:*

The Company has evaluated subsequent events through May 19, 2017, the date which the financial statements were available to be issued. One subsequent event is discussed in Note 8.



**MANUGRAPH AMERICAS, INC. AND SUBSIDIARY**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED MARCH 31, 2017 AND 2016

**3. Concentrations:**

*Credit risk:*

The Company is exposed to concentrations of credit risk for cash in excess of the Federal Deposit Insurance Corporation (FDIC) coverage limits, repurchase agreements and accounts receivable.

Cash amounts are insured by the FDIC up to \$250,000, and bank balances exceed that amount from time to time. The Company also invests in an overnight collateralized repurchase agreement from time to time. The collateral for these repurchase agreements is federal government agency obligations.

Concentrations of revenues and accounts receivable were as follows:

	2017		2016	
	Net sales	Accounts receivable	Net sales	Accounts receivable
Customer A			29 %	32 %
Customer B	17 %		12	
Customer C	15			
Customer D	12	19 %		
Customer E	22			
	66 %	19 %	41 %	32 %

*Other:*

During 2017, 19% of purchases were made from Perretta Graphics Corporation. During 2016, 21% of purchases were made from the Parent Company.

**MANUGRAPH AMERICAS, INC. AND SUBSIDIARY**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED MARCH 31, 2017 AND 2016

**4. Inventories:**

Inventories, net of reserves, consisted of the following at March 31, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Raw materials and parts	\$ 1,435,523	\$ 1,524,041
Work-in-process	352,290	2,008,632
Used equipment	9,607	12,884
Finished press inventory	<u>123,385</u>	<u>498,386</u>
	<u>\$ 1,920,805</u>	<u>\$ 4,043,943</u>

**5. Warranty reserve:**

The change in the Company's accrued warranty obligations follows:

	<u>2017</u>	<u>2016</u>
Accrued warranty obligation, beginning	\$ 161,672	\$ 143,010
Actual warranty experience during the year	(117,935)	(36,917)
Warranty adjustment	<u>110,034</u>	<u>55,579</u>
Accrued warranty obligation, ending	<u>\$ 153,771</u>	<u>\$ 161,672</u>

**6. Accrued vacation:**

The change in the Company's accrued vacation follows:

	<u>2017</u>	<u>2016</u>
Accrued vacation, beginning	\$ 64,862	\$ 63,061
Actual vacation experience during the year	(99,010)	(101,524)
Vacation provisions	<u>87,883</u>	<u>103,325</u>
Accrued vacation, ending	<u>\$ 53,735</u>	<u>\$ 64,862</u>

**MANUGRAPH AMERICAS, INC. AND SUBSIDIARY**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED MARCH 31, 2017 AND 2016

**7. Lines of credit, letter of credit, long-term debt and commitments:**

*Line of credit:*

The Company has a \$3,000,000 line of credit with a bank that has an outstanding balance of \$927,891 and \$1,519,181 at March 31, 2017 and 2016, respectively. The line of credit requires interest at a base rate equal to the London Interbank Offered Rate (LIBOR) plus 250 basis points (3.48% at March 31, 2017), is secured by substantially all of the assets of the Company and is subject to certain financial ratios and general covenants. The line of credit is also secured by a first priority perfected lien on the real property of the Company and a \$3,250,000 letter of credit from Manugraph India Ltd. The line of credit is subject to renewal on August 31, 2017. During 2017 and 2016, Manugraph India Ltd. incurred bank fees of \$20,418 and \$19,438, respectively, to procure the letter of credit. These fees were reimbursed by Manugraph Americas, Inc.

*Letter of credit:*

The Company has a stand-by letter of credit of \$95,052 issued on its behalf by PNC Bank to the Credit Suisse AG Bank, London Branch securing the Company's collateral requirement equal to two-thirds of the "A" fund premium of Raffles Insurance Ltd., a captive insurance program. This stand-by letter of credit reduces the Company's credit line availability by an amount equal to the amount of the letter of credit.

*Long-term debt:*

	2017		2016	
	Current portion	Long-term portion	Total	Maturity
GM Financial	\$ 9,827	\$ 28,663	\$ 48,317	2021

**MANUGRAPH AMERICAS, INC. AND SUBSIDIARY**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED MARCH 31, 2017 AND 2016

**7. Lines of credit, letter of credit, long-term debt and commitments:**

*Long-term debt (continued):*

This interest free vehicle loan requires monthly payments of \$819, and the vehicle serves as collateral. Principal is payable as follows:

2018	\$ 9,827
2019	9,827
2020	9,827
2021	<u>9,009</u>
	<u>\$ 38,490</u>

**8. Preferred stock:**

Each share of class A preferred stock has no par value and bears a noncumulative cash dividend of 2% of the sum of the liquidation preference of \$78.50, plus all accrued but unpaid dividends for the prior fiscal year ended March 31. The class A preferred stock is convertible into shares of common stock of the Company. The conversion ratio is to be determined by the Board of Directors. The preferred stock has no voting rights.

The class A preferred stock, with respect to dividends and distributions of assets and rights upon the occurrence of liquidation, ranks senior to the common stock of the Company and all classes of preferred stock of the Company at any time created and issued. The determination to pay cash dividends on the Company's preferred stock and common stock is at the discretion of the Company's Board of Directors. No dividend was declared or paid for the years ended March 31, 2017 or 2016.

Pursuant to any restrictions by the Pennsylvania Business Corporation Law, the preferred stock shall be redeemed for cash upon written demand by the holder of the shares on any date that is three or more years after the initial issuance of the class A preferred stock. The redemption price per share shall be equal to the liquidation preference, plus all accrued and unpaid dividends, if any. The Company is required to redeem the class A preferred stock on the seventh anniversary of issuance, unless an extension is mutually agreed upon by the Board of Directors and the holder.

Subsequent to March 31, 2017, the owners of the preferred stock have conveyed their intention to convert the preferred stock into shares of common stock during fiscal year 2018. This would be subject to completion of the statutory formalities including approval from Board/statutory authorities, valuations, etc.



**MANUGRAPH AMERICAS, INC. AND SUBSIDIARY**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED MARCH 31, 2017 AND 2016

**9. Lease commitments:**

The Company leases various types of manufacturing equipment and vehicles. One of the leases that was accounted for as a capital lease was paid off during the year ended March 31, 2016. Future minimum lease payments under operating leases are \$9,853 in 2018.

Rent expense for the years ended March 31, 2017 and 2016 amounted to \$14,779 and \$34,040, respectively.

**10. Benefit plans:**

The Company provides various benefits for its employees, including a 401(k) plan. The Plan covers all full-time employees who meet age and service requirements. Employer contributions are made at the discretion of management. No employer contributions were made for the years ended March 31, 2017 or 2016. The Company also shares with employees the cost of medical, dental, vision and long-term and short-term insurance coverage for its employees. The net cost of coverage was \$345,798 and \$345,033 for the years ended March 31, 2017 and 2016, respectively. Other benefits provided by the Company include vacation in which an employee can earn between 80 and 160 hours per year depending on the years of service. Finally, the Company provides federal and state mandated coverage for its employees for retirement, disability and unemployment, which are paid through state and federal payroll tax systems.

**11. Employee Bonuses**

The Company paid employee bonuses of \$70,500 and \$10,000 for the years ended March 31, 2017 and 2016, respectively.

**12. Income taxes:**

At March 31, 2017 and 2016, the deferred tax asset resulted primarily from additional costs being capitalized in inventory for tax purposes that are expensed for book purposes, the non-deductible reserve for uncollectible accounts receivable, warranty and inventory reserves and the effect of net operating loss carryforwards. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. Income tax expense or credit is the tax payable or refundable for the period plus or minus the change during the year in deferred tax assets and liabilities.

**MANUGRAPH AMERICAS, INC. AND SUBSIDIARY**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED MARCH 31, 2017 AND 2016

**12. Income taxes (continued):**

The Company's total deferred tax assets at March 31, 2017 and 2016 are as follows:

	2017		2016	
	Federal	State	Federal	State
Deferred tax assets	\$ 7,023,000	\$ 1,434,000	\$ 6,783,133	\$ 1,393,009
Valuation allowance	(5,481,000)	(1,046,000)	(949,000)	(181,000)
Total net deferred tax asset	\$ 1,542,000	\$ 388,000	\$ 5,834,133	\$ 1,212,009

The provision for income taxes differs from the amount that would result from applying federal and state statutory tax rates to income before income tax benefit principally due to the difference between the treatment of goodwill for tax purposes compared to the treatment under accounting principles generally accepted in the United States, and due to changes in the valuation allowance.

Income tax (benefit) expense consists of the following:

	2017	2016
Federal tax benefit, deferred	\$ (214,658)	\$ (170,057)
State tax benefit, deferred	(66,200)	(52,500)
State tax, current		5,748
Change in valuation allowance	5,397,000	270,000
Total income tax	\$ 5,116,142	\$ 53,191

At March 31, 2017, the Company has a federal net operating loss carryforward of approximately \$17,626,000 that begins to expire in 2028. The Company also has state net operating loss carryforwards available for use in various jurisdictions of approximately \$17,626,000 which expire at various times up to 2036.

During 2017, the Company increased its valuation allowance due to a change in its estimate of the amount of net operating losses it will be able to utilize based on changes in projected future income.

**MANUGRAPH AMERICAS, INC. AND SUBSIDIARY**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED MARCH 31, 2017 AND 2016

**13. Related party transactions:**

The Company sold equipment and parts of \$3,724 and \$53,151 for the years ended March 31, 2017 and 2016, respectively, to the Parent Company.

The Company purchased equipment and parts of \$73,086 and \$991,343 for the years ended March 31, 2017 and 2016, respectively, from the Parent Company.

See Notes 3 and 7 for other related party transactions.



Independent Auditors' Report  
on Accompanying Information

Stockholder  
Manugraph Americas, Inc.  
Elizabethville, Pennsylvania

We have audited the consolidated financial statements of Manugraph Americas, Inc. and subsidiary as of and for the years ended March 31, 2017 and 2016, and our report thereon dated May 19, 2017 which expressed an unmodified opinion on those consolidated financial statements appears on pages one and two. Our audits were performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying information is presented for the purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*Brown Schultz Sheridan & Fritz*

Camp Hill, Pennsylvania  
May 19, 2017



**MANUGRAPH AMERICAS, INC. AND SUBSIDIARY**

**SELLING EXPENSES**

YEARS ENDED MARCH 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
Selling expenses:		
Payroll:		
Sales salaries	\$ 119,046	\$ 114,199
Officer compensation	93,500	93,462
Commissions	220,050	44,431
Payroll taxes	22,384	20,521
Medical insurance	57,486	45,950
Vacation	8,073	8,542
Workers' compensation insurance	2,541	3,311
Travel and entertainment	36,295	27,589
Advertising and promotion	11,851	12,616
Training center		1,456
Trade shows	13,240	10,159
Telephone	1,039	1,408
Bad debts (recoveries)	8,072	(16,182)
	<u>\$ 593,577</u>	<u>\$ 367,462</u>

**MANUGRAPH AMERICAS, INC. AND SUBSIDIARY**

GENERAL AND ADMINISTRATIVE EXPENSES

YEARS ENDED MARCH 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
General and administrative expenses:		
Payroll	\$ 201,916	\$ 209,585
Payroll taxes	28,290	27,826
Medical insurance	22,984	22,466
Vacation	16,024	16,289
Workers' compensation insurance	2,627	3,423
Office supplies	4,022	3,990
Computer	47,670	46,141
Postage	1,888	1,768
Telephone	21,486	21,365
Repairs and maintenance	6,973	6,560
401(k) costs	5,436	5,737
Bank fees	39,457	37,630
Professional fees	2,075	754
Dues and subscriptions	2,816	3,278
Travel and entertainment	41	328
Legal fees	8,703	11,309
Accounting fees:		
Audit	38,472	40,372
Tax	7,328	7,328
Other taxes and licenses	7,187	3,449
Miscellaneous	5,478	6,082
Depreciation	1,955	1,955
	<u>\$ 472,828</u>	<u>\$ 477,635</u>

*MANUGRAPH AMERICAS, INC. AND SUBSIDIARY*

RESEARCH AND DEVELOPMENT EXPENSES

YEARS ENDED MARCH 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
Research and development expenses, research and development payroll	<u>\$ 72,814</u>	<u>\$ 70,999</u>

**MANUGRAPH AMERICAS, INC. AND SUBSIDIARY**

PLANT EXPENSES

YEARS ENDED MARCH 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
Plant expenses:		
Payroll and related expenses:		
Plant salaries	\$ 342,019	\$ 319,739
Payroll taxes	52,398	43,520
Medical insurance	93,121	115,775
Vacation	37,817	38,830
Workers' compensation insurance	4,741	6,178
Other plant expenses:		
Tools and parts	71,210	115,771
Inbound freight	108,895	99,355
Scrap	154	(1,799)
Inventory obsolescence	80,000	(66,936)
Vehicle expense	20,469	28,323
Travel	36,293	13,358
Training	6	
Professional services	3,360	3,360
Supplies	37,220	37,560
Equipment repairs	14,557	17,424
Equipment rental	82	
Building expenses:		
Building repairs and maintenance	1,931	7,211
Plant overhead	7,008	7,230
Utilities	76,942	63,927
Real estate taxes	27,301	28,752
Business insurance	110,354	109,420
Waste removal	9,295	5,938
Environmental costs	7,404	5,632
Trash removal	2,100	2,100
Depreciation	<u>130,098</u>	<u>119,077</u>
	<u>\$ 1,274,775</u>	<u>\$ 1,119,745</u>