Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2013

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

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

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

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

Part II Basic Plan Information—enter all requested information

1a Name of plan
KOAM ENGINEERING SYSTEMS, INC. RETIREMENT SAVINGS PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/1998

2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)

KOAM ENGINEERING SYSTEMS, INC.

9325 SKY PARK COURT, SUITE 300
SAN DIEGO, CA 92123

2b Employer Identification Number (EIN)
33-0771394

2c Sponsor's telephone number
858-292-0922

2d Business code (see instructions)
541330

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/08/2014	JOHN YI
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)

Preparer's telephone number (optional)

3a Plan administrator's name and address ☐ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address

KOAM ENGINEERING SYSTEMS, INC.

9325 SKY PARK COURT, SUITE 300
SAN DIEGO, CA 92123

3b Administrator's EIN
33-0771394

3c Administrator's telephone number
858-292-0922

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	175
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	106
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	34
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	140
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f	Total. Add lines **6d** and **6e**.	**6f**	140
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	140
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	0
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
2A 2E 2F 2G 2J 2K 2T 3D

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

9a Plan funding arrangement (check all that apply)

(1)	☐	Insurance
(2)	☐	Code section 412(e)(3) insurance contracts
(3)	☒	Trust
(4)	☐	General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)	☐	Insurance
(2)	☐	Code section 412(e)(3) insurance contracts
(3)	☒	Trust
(4)	☐	General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

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

b General Schedules

(1)	☒		**H** (Financial Information)
(2)	☐		**I** (Financial Information – Small Plan)
(3)	☐	0	**A** (Insurance Information)
(4)	☒		**C** (Service Provider Information)
(5)	☐		**D** (DFE/Participating Plan Information)
(6)	☐		**G** (Financial Transaction Schedules)

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2013** **This Form is Open to Public Inspection.**

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan KOAM ENGINEERING SYSTEMS, INC. RETIREMENT SAVINGS PLAN	**B** Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 KOAM ENGINEERING SYSTEMS, INC.	**D** Employer Identification Number (EIN) 33-0771394

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

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

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

NATIONWIDE

ONE NATIONWIDE PLAZA
COLUMBUS, OH 43215

31-4156830

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 18 51 52 65	RECORD KEEPER	22133	Yes [X] No [ ]	Yes [X] No [ ]	26063	Yes [ ] No [X]

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

INNOVATIVE PENSION STRATEGY DESIGN

14251 DANIELSON STREET
POWAY, CA 92064

33-0166640

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
12 15 37 50 64 72	THIRD PARTY ADMINISTRATO	14277	Yes [X] No [ ]	Yes [X] No [ ]	3933	Yes [ ] No [X]

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

LPL FINANCIAL CORPORATION

9785 TOWNE CENTRE DRIVE
SAN DIEGO, CA 92121

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
17 26 27 28	INVESTMENT ADVISOR	0	Yes [X] No [ ]	Yes [X] No [ ]	17755	Yes [ ] No [X]

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

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

STEPHEN WOJDOWSKI & ASSOCIATES

8885 RIO SAN DIEGO DRIVE
SAN DIEGO, CA 92108

95-3640609

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10	INDEPENDENT AUDITOR	8200	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

MEEDER ADVISORY SERVICES, INC.

6125 MEMORIAL DRIVE
DUBLIN, OH 73017

31-1332744

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
17 26 27 28	INVESTMENT ADVISOR	7039	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

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

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a	Name: STEPHEN WOJDOWSKI & ASSOCIATES	**b** EIN:	95-3640609
c	Position: INDEPENDENT ACCOUNTANT		
d	Address: 8885 RIO SAN DIEGO DRIVE SAN DIEGO, CA 92108	**e** Telephone:	619-296-0150

Explanation: AUDITING FIRM BEING REPLACED FOR THE 2013 LARGE PLAN AUDIT

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

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

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

OMB No. 1210-0110

2013

This Form is Open to Public Inspection

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan
KOAM ENGINEERING SYSTEMS, INC. RETIREMENT SAVINGS PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
KOAM ENGINEERING SYSTEMS, INC.

D Employer Identification Number (EIN)
33-0771394

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	9214	6012
(2) Participant contributions	1b(2)	9611	8340
(3) Other	1b(3)	548	727
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	264093	245975
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	4362314	5299146
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	4645780	5560200
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	3592	6338
k Total liabilities (add all amounts in lines 1g through1j)	1k	3592	6338
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	4642188	5553862

Part II Income and Expense Statement

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

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	249277	
(B) Participants	2a(1)(B)	326059	
(C) Others (including rollovers)	2a(1)(C)	6373	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		581709
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	7859	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		7859
(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		989428
c Other income	2c		314
d Total income. Add all **income** amounts in column (b) and enter total	2d		1579310
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	598278	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		598278
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		42152
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)	8200	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	19006	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		27206
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		667636
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		911674
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

(1) Name: HUTCHINSON & BLOODGOOD LLP **(2)** EIN: 95-0858589

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

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

Part IV Compliance Questions

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

During the plan year:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a	X		40584
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		500000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

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

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

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

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ..... ☐ Yes ☐ No ☐ Not determined

Part V Trust Information (optional)

6a Name of trust	**6b** Trust's EIN

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

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

OMB No. 1210-0110

2013

This Form is Open to Public Inspection.

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan
KOAM ENGINEERING SYSTEMS, INC. RETIREMENT SAVINGS PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
KOAM ENGINEERING SYSTEMS, INC.

D Employer Identification Number (EIN)
33-0771394

Part I Distributions

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

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

EIN(s): 31-4156830

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year **3**

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

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

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

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

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

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

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

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

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

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

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

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

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

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

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

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

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

a Enter the percentage of plan assets held as:
Stock: 00% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

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

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

Koam Engineering Systems, Inc.

Retirement Savings Plan

Financial Statements with Supplemental Information

Years ended December 31, 2013 and 2012

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HUTCHINSON and BLOODGOOD LLP
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

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INDEPENDENT AUDITORS' REPORT

To the Plan Administrator of
Koam Engineering Systems, Inc. Retirement Savings Plan
San Diego, California

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Koam Engineering Systems, Inc. Retirement Savings Plan (the Plan), which comprise the statement of net assets available for benefits as of December 31, 2013, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 6, which was certified by Nationwide Trust Company, the Custodian of the Plan, except for comparing this information with the related information included in the financial statements. We have been informed by the Plan Administrator that the Custodian holds the Plan's assets and executes transactions. The Plan Administrator has obtained certification from the Custodian as of and for the year ended December 31, 2013, that the information provided to the Plan Administrator by the Custodian is complete and accurate.

Disclaimer of Opinion

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

Other Matters

The financial statements of the Plan as of December 31, 2012 were audited by other auditors whose report, dated October 7, 2013, disclaimed an opinion on those statements as permitted by Section 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

The supplemental schedule of assets (held at end of year) and schedule of delinquent contributions, as of or for the year ended December 31, 2013, are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. The supplemental schedules are the responsibility of the Plan's management. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedules.

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

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



October 2, 2014

KOAM ENGINEERING SYSTEMS, INC. RETIREMENT SAVINGS PLAN

Statements of Net Assets Available for Benefits
December 31, 2013 and 2012

	2013	2012
ASSETS		
Participant directed investments, at fair value:	**$ 5,299,146**	$ 4,362,314
Receivables:		
Participants' contributions receivable	**8,340**	9,611
Employer contributions receivable	**6,013**	9,214
Employee loan payments	**727**	548
Notes receivable from participants	**245,975**	264,093
Total receivables	**261,055**	283,466
Total assets	**5,560,201**	4,645,780
LIABILITIES		
Refund of excess contributions	**6,338**	3,592
Net assets available for benefits	**$ 5,553,863**	$ 4,642,188

KOAM ENGINEERING SYSTEMS, INC. RETIREMENT SAVINGS PLAN

Statements of Changes in Net Assets Available for Benefits
Years ended December 31, 2013 and 2012

	2013	2012
ADDITIONS TO NET ASSETS ATTRIBUTED TO:		
Investment income:		
Net appreciation in fair value of investments	**$ 989,428**	$ 408,578
Loan adjustments	**314**	548
Net investment income	**989,742**	409,126
Interest income on notes receivable from participants	**7,859**	8,004
Contributions:		
Participants' contributions	**326,059**	341,255
Employer contributions	**249,277**	267,035
Rollover contributions	**6,373**	204,489
Total contributions	**581,709**	812,779
Total additions	**1,579,310**	1,229,909
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Distributions to participants	**598,278**	611,354
Defaulted loans	**42,152**	35,261
Administrative fees	**27,205**	19,391
Total deductions	**667,635**	666,006
Net increase	**911,675**	563,903
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year	**4,642,188**	4,078,285
End of year	**$ 5,553,863**	$ 4,642,188

NOTE 1. DESCRIPTION OF THE PLAN

The following description of the Koam Engineering Systems, Inc. Retirement Savings Plan (the Plan) is provided for general information purposes only. Participants should refer to the plan agreement or the summary plan description for a more complete description of the Plan's provisions.

General: The Plan is a defined contribution plan covering the employees of Koam Engineering Systems, Inc. (the Company), except for those employees whose compensation and conditions of employment are established by the terms of a collective bargaining agreement. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Eligibility: Employees of the Company are eligible to participant in the Plan upon date of hire as long as they haved reached the age of eighteen.

Plan Administration: The Plan is administered by the Administrative Committee appointed by the Board of Directors of the Company. The custodian for the Plan is Nationwide Trust Company, FSB ("Trustee").

Contributions: Eligible employees may elect to defer a percentage of their pre-tax annual compensation as defined in the Plan. Participants may also make contributions to the Plan on an after-tax basis by designating deferrals as Roth deferrals. The maximum employee contribution permitted by the Internal Revenue Service (IRS) for calendar years 2013 and 2012 was $17,500 and $17,000, respectively. In addition, participants who had attained age 50 by year end could also make catch-up contributions of $5,500 for calendar year 2013 and 2012. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. Rollovers from other qualified plans shall be allowed from any employee, even if not a participant.

Employer contributions are both required and discretionary. The discretionary contribution is determined by the Board of Directors of the Company. For the years ended December 31, 2013 and 2012, no discretionary contributions were made. Under the 401(K) provisions of the Plan, the Company is required to make a Safe Harbor contribution in an amount not less than 3% of Participant's Compensation, up to the first $255,000 of wages, on behalf of each Employee, whether or not they are participating in the Plan.

Participant Accounts: Each participant’s account is credited with the participant’s voluntary contribution, any employer contributions and Plan earnings which are allocated proportionately among all participants based on their investment in each fund. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account.

Vesting: For the salary deferrals and 401(K) Safe Harbor contributions, participants are immediately vested in their contributions plus actual earnings. With respect to discretionary contributions, vesting will be based on the years of service with 0% vested for less than two years and gradually building up to 100% vested after six or more years.

NOTE 1. DESCRIPTION OF THE PLAN (Continued)

Forfeitures: Forfeitures of non-vested plan assets are allocated first to administrative expenses and then are used to reduce any employer contribution. For the years ended December 31, 2013 and 2012, forfeited nonvested accounts totaled $16,811 and $7,585, respectively.

Investment Options: The assets of the Plan, both employee and employer, are allocated to the various funds at the direction or the participant. The following investment options are available: Equity Funds, Fixed-Income Funds, Balanced Funds, Specialty Funds and International Funds.

Payment of Benefits: On termination of service due to death, disability or retirement, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account or they may take timely periodic distributions. For termination of service due to other reasons. a participant may receive the value of the vested interest in his or her account as a lump-sum distribution.

Hardship Distributions: Participants may request a distribution based on financial hardship subject to the provisions of the Plan. This distribution shall be permitted from a participant's employee deferral account only.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting: The accompanying financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires the Plan administrator to make estimates and assumptions that affect the reported amounts of Plan assets and liabilities and changes therein at the date of the financial statements. Accordingly, actual results may differ from those estimates.

Notes Receivable from Participants: Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the Plan document.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment Valuation and Income Recognition: The Plan's investments are stated at fair value. Fair value is the price that would be received form the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for a discussion of fair value.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

The Plan presents in the statement of changes in net assets the net appreciation in the fair value of its investments, which consists of realized gains or losses and the unrealized appreciation or depreciation on those investments.

Risks and Uncertainties: The Plan invests in various investment securities. Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur and that such changes could materially affect participants' account balances and the amounts reported in the financial statements.

The Plan invests in various investment options that invest in securities of foreign companies, which involve special risks and considerations not typically associated with investing in U.S. companies. These risks include devaluation of currencies. less reliable information about issuers, different securities transaction clearance and settlement practices, and possible adverse political and economic developments. Moreover, securities of many foreign companies and their markets may be less liquid and their prices more volatile than those of securities of comparable U.S. companies.

Payment of Benefits: Benefits are recorded when paid.

NOTE 3. INVESTMENTS

The following represents investments that were 5% or more of the Plan's net assets at December 31, 2013 and 2012:

	2013	2012
Meeder Strategic Growth Fund	**$ 442,251** *	$ 346,515
Meeder Balance Fund Fund	**310,279** *	<5%
Ivy Science and Technology Y Fund	**290,723** *	<5%
Nationwide Money Market Instl Fund	**<5%**	335,030
PIMCO Total Return A Fund	**<5%**	278,861

NOTE 4. FAIR VALUE MEASUREMENTS

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

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

- Level 2. Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

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

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

Following is a description of the valuation methodology used for assets measured at fair value. There have been no changes in the methodology used at December 31, 2013 and 2012.

- *Mutual funds*: Valued at the net asset value of shares held by the Plan at year end.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values.

NOTE 4. FAIR VALUE MEASUREMENTS (CONTINUED)

The following table set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2013 and 2012:

	Assets at fair value as of December 31, 2013			
	Level 1	Level 2	Level 3	Total
Mutual funds:				
International funds	$ 231,324	$ --	$ --	$ 231,324
Balanced funds	765,603	--	--	765,603
Growth funds	2,680,344	--	--	2,680,344
Bonds/Fixed income funds	658,792	--	--	658,792
Specialty funds	743,531	--	--	743,531
Cash	219,552	--	--	219,552
Total mutual funds	$ 5,299,146	$ --	$ --	$ 5,299,146

	Assets at fair value as of December 31, 2012			
	Level 1	Level 2	Level 3	Total
Mutual funds:				
International funds	$ 218,359	$ --	$ --	$ 218,359
Balanced funds	497,445	--	--	497,445
Growth funds	2,343,185	--	--	2,343,185
Fixed income funds	1,032,275	--	--	1,032,275
Specialty funds	271,050	--	--	271,050
Total mutual funds	$ 4,362,314	$ --	$ --	4,362,314

NOTE 5. NOTES RECEIVABLE FROM PARTICIPANTS

Participants may borrow from their fund accounts 50% of their account balance not to exceed $50,000. Loans shall not exceed 5 years unless it is used to acquire a dwelling unit which will be used as the principal residence of the Participant. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined quarterly by the Plan administrator. Interest rates fluctuate from 3.25% to 8.25%. Principal and interest is paid ratably through monthly payroll deductions.

NOTE 6. INFORMATION PREPARED AND CERTIFIED BY THE CUSTODIAN

The Custodian of the Plan certified certain information and that information was not audited in accordance with the Plan Administrator's instructions and as permitted by Section 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Information, included in the accompanying financial statements and supplementary schedule, certified to by the Custodian consists of the following:

December 31,	**2013**	2012
Investments, at fair value		
Mutual funds	**$ 5,299,146**	$ 4,362,314
Net investment income	**989,428**	408,578

NOTE 7. FEDERAL INCOME TAX STATUS

The Company adopted a volume submitter 401(k) profit sharing plan, which received a favorable opinion letter on March 16, 2010 from the Internal Revenue Service stating that the Plan and related trust, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code (IRC). The Plan has been amended and restated since receiving the determination letter. However, the Plan Administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC and, therefore, believes that the Plan qualifies and the related trust is tax exempt.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the plan and recognize a tax liability (or asset) if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the taxing authority. The Plan Administrator has analyzed the tax positions taken by the plan and has concluded that as of December 31, 2013, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The plan is subject to routine audits by taxing jurisdictions, however, there are currently no audits for any tax periods in progress. The Plan Administrator believes it is no longer subject to income tax examination for years prior to 2009.

NOTE 8. PARTICIPANT WITHDRAWALS AND DISTRIBUTIONS

At December 31, 2013 and 2012, there were no unpaid distributions included in accounts of participants who have elected to withdraw from participation in the Plan.

NOTE 9. PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become fully vested in their accounts.

NOTE 10. PROHIBITED TRANSACTION

During 2012, the Company inadvertently failed to deposit $40,584 of participant deferrals and loan repayments within the period prescribed by Department of Labor (DOL) regulations. In October 2013, the Company funded lost earnings of $5.24 for the 2012 correction.

NOTE 11. SUBSEQUENT EVENTS

The Plan Administrator has evaluated its December 31, 2013 and 2012 financial statements for subsequent events through October 2, 2014, the date of issuance of the financial statements. No material subsequent events were identified for recognition or disclosure.

SUPPLEMENTAL SCHEDULES

KOAM ENGINEERING SYSTEMS, INC. RETIREMENT SAVINGS PLAN

Schedule H, Line 4a - Schedule of Delinquent Participant Contributions
E.I.N. 33-0771394, Plan No. 001
December 31, 2013

December 31, 2013	Total that Constitute Non-exempt Prohibited Transaction			
Participant Contributions Transferred Late to Plan	Contributions not Corrected	Contributions Corrected Outside *VFCP	Contributions Pending Correction in VFCP	Total Fully Corrected Under VFCP and **PTE 2002-51
Check here if late participant loan repayments are included				
X	N/A	$ 40,584	N/A	N/A

*Voluntary Fiduciary Correction Program
**Prohibited Transaction Exemption

KOAM ENGINEERING SYSTEMS, INC. RETIREMENT SAVINGS PLAN

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
E.I.N. 33-0771394, Plan No. 001
December 31, 2013

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current Value
*	Nationwide Insurance Company	Meeder Strategic Growth Fund	**	$ 442,251
*	Nationwide Insurance Company	Meeder Balance Fund	**	310,279
*	Nationwide Insurance Company	Ivy Science and Technology Y Fund	**	290,723
*	Nationwide Insurance Company	Meeder MuirField Fund	**	237,513
*	Nationwide Insurance Company	Nationwide Money Market Instl Fund	**	219,552
*	Nationwide Insurance Company	Rydex Biotechnology Advantage Fund	**	209,837
*	Nationwide Insurance Company	T Rowe Price New Horizons Fund	**	200,042
*	Nationwide Insurance Company	Wells Fargo Advantage Disciplined Investment Fund	**	194,129
*	Nationwide Insurance Company	Meeder Total Return Bond Fund	**	174,051
*	Nationwide Insurance Company	Oakmark Equity & Income Fund II	**	173,210
*	Nationwide Insurance Company	PIMCO Total Return A Fund	**	171,035
*	Nationwide Insurance Company	RidgeWorth Mid Cap Value Equity A	**	169,552
*	Nationwide Insurance Company	Ivy High Income Y Fund	**	169,156
*	Nationwide Insurance Company	Vanguard Equity Income Fund	**	147,113
*	Nationwide Insurance Company	American Funds Washington Mutual R6	**	126,187
*	Nationwide Insurance Company	Meeder Dynamic Growth Fund	**	116,974
*	Nationwide Insurance Company	Janus Enterprise S Fund	**	115,218
*	Nationwide Insurance Company	Oppenheimer Developing Markets A Fund	**	112,025
*	Nationwide Insurance Company	Vanguard 500 Index Signal Fund	**	111,606
*	Nationwide Insurance Company	Goldman Sachs Mid Cap Value Fund	**	109,954
*	Nationwide Insurance Company	JPMorgan Small Cap Equity A	**	108,719
*	Nationwide Insurance Company	Eaton Vance Worldwide Health Sci A Fund	**	99,839
*	Nationwide Insurance Company	Rydex/SGI S&P 500 Pure Value Growth Fund	**	87,758
*	Nationwide Insurance Company	Rydex/SGI S&P 500 Pure Growth Fund	**	85,484
*	Nationwide Insurance Company	Rydex S&P Mid-Cap 400 Pure Growth Fund H	**	83,795
*	Nationwide Insurance Company	Rydex/SGI S&P Mid Cap 400 Pure Value	**	81,760
*	Nationwide Insurance Company	Eaton Vance Large Cap Value A	**	79,791
*	Nationwide Insurance Company	Meeder Agressive Growth Fund	**	78,168
*	Nationwide Insurance Company	American Funds Growth Fund of America R3	**	75,439
*	Nationwide Insurance Company	PIMCO Low Duration A Fund	**	74,674
*	Nationwide Insurance Company	Buffalo Growth Fund	**	69,501
*	Nationwide Insurance Company	Diamond Hill Small Cap A Fund	**	64,654
*	Nationwide Insurance Company	American Funds Capital World G/I R3 Fund	**	59,876
*	Nationwide Insurance Company	DWS Rreef Real Estate Securities Fund	**	55,177
*	Nationwide Insurance Company	Meeder Quantex Fund	**	51,702
*	Nationwide Insurance Company	Payden GNMA Advisor Fund	**	51,661
*	Nationwide Insurance Company	Harbor International Investment Fund	**	49,659
*	Nationwide Insurance Company	Buffalo Flexible Income Fund	**	44,601
*	Nationwide Insurance Company	Eaton Vance Government Obligations Fund A	**	41,227
*	Nationwide Insurance Company	De Sel Growth A	**	32,773
*	Nationwide Insurance Company	AllianceBern High Income A Fund	**	22,660
*	Nationwide Insurance Company	Franklin Templeton Global Bond Fund	**	21,304
*	Nationwide Insurance Company	Nationwide Small Cap Index A Fund	**	19,790
*	Nationwide Insurance Company	William Blair Small Cap Growth N Fund	**	12,339
*	Nationwide Insurance Company	Predential Jennison 20/20 Focus Fund	**	6,960
*	Nationwide Insurance Company	Meeder Utilities and Infrastructure Bond	**	6,292
*	Nationwide Insurance Company	Vanguard Global Equity Investment Fund	**	4,506

KOAM ENGINEERING SYSTEMS, INC. RETIREMENT SAVINGS PLAN

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
E.I.N. 33-0771394, Plan No. 001
December 31, 2013

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current Value
*	Nationwide Insurance Company	Wasatch Long Short Investment	**	3,988
*	Nationwide Insurance Company	Vanguard Small Cap Index Signal Fund	**	3,849
*	Nationwide Insurance Company	DFA Emerging Markets Fund	**	3,621
*	Nationwide Insurance Company	American Century Infl-Adj Bond Investment	**	2,100
*	Nationwide Insurance Company	JPMorgan Mid Cap Growth A	**	2,024
*	Nationwide Insurance Company	Federated Bond Fund	**	1,636
*	Nationwide Insurance Company	Vanguard Total Bond Market Index Signal Fund	**	1,438
*	Nationwide Insurance Company	Oppenheimer Capital Appreciation Fund A	**	1,410
*	Nationwide Insurance Company	Ivy Science & Technology Y	**	1,396
*	Nationwide Insurance Company	BlackRock Government Income Fund	**	1,150
*	Nationwide Insurance Company	American Century Real Estate Investment Fund	**	808
*	Nationwide Insurance Company	American Funds Bond Fund of America R3	**	590
*	Nationwide Insurance Company	AIM International Small Company Fund	**	560
*	Nationwide Insurance Company	Rydex S&P Small-Cap 600 Pure Value H Fund	**	485
*	Nationwide Insurance Company	JPMorgan Core Plus Bond Fund	**	468
*	Nationwide Insurance Company	Gughm Multi Hedge Strategy H	**	466
*	Nationwide Insurance Company	Lazard Emerging Market Fund	**	436
*	Nationwide Insurance Company	AllianceBern International A Fund	**	423
*	Nationwide Insurance Company	Van Kampen MidCap Growth A Fund	**	395
*	Nationwide Insurance Company	Federated Kaufman Small Cap Fund	**	362
*	Nationwide Insurance Company	Rydex Europe 1.25x Strategy H Fund	**	166
*	Nationwide Insurance Company	Delaware International Value Equity A Fund	**	121
*	Nationwide Insurance Company	Pioneer Strategies Income Fund A	**	83
*	Nationwide Insurance Company	T Rowe Price New Income Fund	**	72
*	Nationwide Insurance Company	Wells Fargo Advantage Utility & Telecom Fund A	**	70
*	Nationwide Insurance Company	Black Rock US Government Bond Port A	**	69
*	Nationwide Insurance Company	Black Rock Total Return Investment	**	57
*	Nationwide Insurance Company	Franklin Mutual Series Fund Mutual Shares	**	54
*	Nationwide Insurance Company	Aberdeen US Equity Class A Fund	**	50
*	Nationwide Insurance Company	Rydex Weakening Dollar 2X Strategy Fund	**	45
*	Nationwide Insurance Company	Oppenheimer International Bond Fund A	**	35
*	Nationwide Insurance Company	Janus Forty S Fund	**	35
*	Nationwide Insurance Company	Pioneer Emerging Market Fund A	**	33
*	Nationwide Insurance Company	Oppenheimer Gold & Special Fund	**	32
*	Nationwide Insurance Company	Franklin Templeton Developing Markets Fund	**	28
*	Nationwide Insurance Company	Federated Mid Cap Growth Fund	**	20
*	Nationwide Insurance Company	AllianceBern International Value K Fund	**	20
*	Nationwide Insurance Company	Oppenheimer Commodity Strategy Fund	**	18
*	Nationwide Insurance Company	Federated International Small-Mid A Fund	**	17
*	Subtotal			5,299,146
*	Notes receivable from participants	3.25% - 8.25%, matures 2014-2042		245,975
				$ 5,545,121

*Represents a party-in-interest.
**Cost omitted in accordance with Department of Labor's reporting requirements for participant-directed accounts.

Schedule H, Line 4i
Schedule of Assets (Held At End of Year)

Name of Plan:

► KOAM Engineering Systems, Inc. Retirement Savings Plan

Employer Identification Number:► 33-0771394

For plan year (beginning/ending):► 1/1/2013 - 12/31/2013 Plan number:► 1

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
*	Nationwide Insurance Co.	AllBer Intl Value K	N/A	19.59
*	Nationwide Insurance Co.	AmCent RealEst A	N/A	807.79
*	Nationwide Insurance Co.	AIM Intl Sm Co A	N/A	559.82
*	Nationwide Insurance Co.	AllBer Hi Inc A	N/A	22659.73
*	Nationwide Insurance Co.	AllBer Intl Val A	N/A	422.6
*	Nationwide Insurance Co.	AmCent Infl Adj	N/A	2100.48
*	Nationwide Insurance Co.	AmFds Bd Fd Am R3	N/A	589.92
*	Nationwide Insurance Co.	AmFds Gr Fd Am R3	N/A	75438.8
*	Nationwide Insurance Co.	AmFds Cap Wld Gr	N/A	59875.57
*	Nationwide Insurance Co.	Flex Ttl Return	N/A	174050.6
*	Nationwide Insurance Co.	BlkRk Govt Inc	N/A	1149.71
*	Nationwide Insurance Co.	JPM MdCap Gr A	N/A	2023.91
*	Nationwide Insurance Co.	BlkRk Ttl Rtn Inv	N/A	56.62
*	Nationwide Insurance Co.	JPM Cor Pls Bd A	N/A	468.06
*	Nationwide Insurance Co.	BlkRk US Gov Bd Port Inv A	N/A	68.97
*	Nationwide Insurance Co.	Buf Flex Inc Fd	N/A	44601.19
*	Nationwide Insurance Co.	Buf Growth	N/A	69500.58
*	Nationwide Insurance Co.	FnklnTmp Glbl Bd Adv	N/A	21304.45
*	Nationwide Insurance Co.	Wasatch Lng Shrt	N/A	3987.78
*	Nationwide Insurance Co.	DE Sel Gr A	N/A	32773.28
*	Nationwide Insurance Co.	DE Intl Val Eq A	N/A	120.56
*	Nationwide Insurance Co.	Diamond Hill SmCap A	N/A	64653.93
*	Nationwide Insurance Co.	DFA Emrg Mkt	N/A	3620.92
*	Nationwide Insurance Co.	EV LgCap Val A	N/A	79790.7
*	Nationwide Insurance Co.	EV WW Hlth Scnc A	N/A	99838.86
*	Nationwide Insurance Co.	EV Govt Oblgtns A	N/A	41226.91
*	Nationwide Insurance Co.	WFA Util Telcom A	N/A	69.83
*	Nationwide Insurance Co.	Fed Bond	N/A	1636.22
*	Nationwide Insurance Co.	Flex Defn Bal	N/A	310278.53
*	Nationwide Insurance Co.	Flex Strat Gr	N/A	442251.35
*	Nationwide Insurance Co.	Flex Aggr Gr	N/A	78167.96
*	Nationwide Insurance Co.	Fed MdCap Gr	N/A	20.27
*	Nationwide Insurance Co.	Fed Intl SmMd Co	N/A	17.7
*	Nationwide Insurance Co.	Fed Kaufman SmCap	N/A	362
*	Nationwide Insurance Co.	Meeder Dynmc Gr	N/A	116974.32
*	Nationwide Insurance Co.	Meeder Qntx	N/A	51702.05
*	Nationwide Insurance Co.	Meeder Mrfld	N/A	237512.76
*	Nationwide Insurance Co.	Meeder Util Infr	N/A	6292.24
*	Nationwide Insurance Co.	Abrden US Eq A	N/A	50.08
*	Nationwide Insurance Co.	GdmnScs MdCap Val	N/A	109954.17
*	Nationwide Insurance Co.	NW Mny Mkt Inst	N/A	219552.25
*	Nationwide Insurance Co.	RdgWrth MdCap Val Eq A	N/A	169552.41
*	Nationwide Insurance Co.	Harbor Intl Inv	N/A	49659.17
*	Nationwide Insurance Co.	Ivy Bal	N/A	1395.72
*	Nationwide Insurance Co.	Jns Frty S	N/A	34.54

*	Nationwide Insurance Co.	JPM SmCap Eq A	N/A	108719.4
*	Nationwide Insurance Co.	Okmrk Eq Inc II	N/A	173210.12
*	Nationwide Insurance Co.	Lazard Emrg Mkt	N/A	436.32
*	Nationwide Insurance Co.	NW SmCap Indx A	N/A	19790.23
*	Nationwide Insurance Co.	Opp Cap App A	N/A	1409.7
*	Nationwide Insurance Co.	PIMCO Ttl Rtn A	N/A	171035.43
*	Nationwide Insurance Co.	Opp Devl Mkt A	N/A	112024.86
*	Nationwide Insurance Co.	Pionr Emrg Mkt A	N/A	32.59
*	Nationwide Insurance Co.	Opp Gold Spec	N/A	32.4
*	Nationwide Insurance Co.	Opp Intl Bd A	N/A	34.84
*	Nationwide Insurance Co.	PIMCO Low Dur A	N/A	74673.83
*	Nationwide Insurance Co.	Pionr Strat Inc A	N/A	82.73
*	Nationwide Insurance Co.	Opp Comdty Strat	N/A	19.49
*	Nationwide Insurance Co.	T Rowe Pr New Horizons	N/A	200041.6
*	Nationwide Insurance Co.	Prudntl Jnisn 20	N/A	6960.14
*	Nationwide Insurance Co.	Payden GNMA Adv	N/A	51660.87
*	Nationwide Insurance Co.	RydexSGISPMdCap40 Pur Val	N/A	81759.69
*	Nationwide Insurance Co.	RydexSFS&PSmCap60 Pur Val	N/A	484.87
*	Nationwide Insurance Co.	RydexSGI Bio Adv	N/A	209836.9
*	Nationwide Insurance Co.	Gughm Mult Hdg StratH	N/A	466.29
*	Nationwide Insurance Co.	RydexSF Wkng Dlr 2X Str H	N/A	44.92
*	Nationwide Insurance Co.	AmFds Wshngtn Mut Inv	N/A	126187.32
*	Nationwide Insurance Co.	RydexSF S&PMdCap400Pure Gr	N/A	83794.82
*	Nationwide Insurance Co.	RydexSF Euro 1.25X Strat H	N/A	165.71
*	Nationwide Insurance Co.	RydexSF S&P 500 Pur Gr H	N/A	85483.77
*	Nationwide Insurance Co.	RydexSF S&P 500 Pur Val H	N/A	87757.82
*	Nationwide Insurance Co.	WFA Disc Inv	N/A	194129.23
*	Nationwide Insurance Co.	DWS RREEF Real Est	N/A	55177.02
*	Nationwide Insurance Co.	FnklnTmp Devl Mkt	N/A	28.25
*	Nationwide Insurance Co.	FnklnMSF Mut Shrs	N/A	53.7
*	Nationwide Insurance Co.	T Rowe Pr New Ioncome Fnd	N/A	72.25
*	Nationwide Insurance Co.	Vngrd 500 Index Sgnl	N/A	111606.09
*	Nationwide Insurance Co.	Vngrd SmCap Index Sgnl	N/A	3849.42
*	Nationwide Insurance Co.	Vngrd Ttl Bd Mkt Indx Sgnl	N/A	1437.95
*	Nationwide Insurance Co.	Vngrd Eq Inc	N/A	147112.95
*	Nationwide Insurance Co.	Van Kampen MidCap Growth A	N/A	395.2
*	Nationwide Insurance Co.	Vngrd Glbl Eq Inv	N/A	4505.85
*	Nationwide Insurance Co.	William Blair Sm Cap Gr N	N/A	12339.27
*	Nationwide Insurance Co.	Ivy Hi Inc.	N/A	169156.16
*	Nationwide Insurance Co.	Ivy Science and Tech	N/A	290722.51
*	Nationwide Insurance Co.	Jns Entrp S	N/A	115218.21
*	Participant Loans	3.25%	N/A	245975.43