

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 <div style="text-align: center; font-size: 24pt; font-weight: bold;">2014</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2014 or fiscal plan year beginning <u>09/01/2014</u> and ending <u>08/31/2015</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or ☒ a single-employer plan; ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information—enter all requested information				
1a Name of plan EXPRESS MESSENGER SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;">002</td> </tr> <tr> <td colspan="2">1c Effective date of plan 09/01/2005</td> </tr> </table>	1b Three-digit plan number (PN) ▶	002	1c Effective date of plan 09/01/2005	
1b Three-digit plan number (PN) ▶	002				
1c Effective date of plan 09/01/2005					
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) EXPRESS MESSENGER SYSTEMS, INC 2501 S PRICE ROAD SUITE 201 CHANDLER, AZ 85286	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) 98-0066674</td> </tr> <tr> <td>2c Plan Sponsor's telephone number 602-333-4480</td> </tr> <tr> <td>2d Business code (see instructions) 492110</td> </tr> </table>	2b Employer Identification Number (EIN) 98-0066674	2c Plan Sponsor's telephone number 602-333-4480	2d Business code (see instructions) 492110	
2b Employer Identification Number (EIN) 98-0066674					
2c Plan Sponsor's telephone number 602-333-4480					
2d Business code (see instructions) 492110					

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.	06/15/2016	THOMAS FISCHER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	06/15/2016	THOMAS FISCHER
	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	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
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 1637
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits c Other retired or separated participants entitled to future benefits..... d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6a(1) 1130 6a(2) 933 6b 157 6c 339 6d 1429 6e 0 6f 1429 6g 1088 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: 21 20 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) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2014 Form M-1 annual report. If the plan was not required to file the 2014 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2014
		This Form is Open to Public Inspection.

For calendar plan year 2014 or fiscal plan year beginning 09/01/2014 and ending 08/31/2015

A Name of plan EXPRESS MESSENGER SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 EXPRESS MESSENGER SYSTEMS, INC	D Employer Identification Number (EIN) 98-0066674

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
GREAT BANC
36-3681493

(b) Enter name and EIN or address of person who provided you disclosure 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)

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

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

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

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2014 This Form is Open to Public Inspection
For calendar plan year 2014 or fiscal plan year beginning 09/01/2014 and ending 08/31/2015		
A Name of plan EXPRESS MESSENGER SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN		B Three-digit plan number (PN) ► 002
C Plan sponsor's name as shown on line 2a of Form 5500 EXPRESS MESSENGER SYSTEMS, INC		D Employer Identification Number (EIN) 98-0066674

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)	0	289
(2) Participant contributions.....	1b(2)	0	0
(3) Other.....	1b(3)	452	124
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	3967233	0
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)		
(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)	0	23008287
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	19834819	0
(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	23802504	23008700

Liabilities

g Benefit claims payable	1g	0	
h Operating payables	1h	0	
i Acquisition indebtedness	1i	0	
j Other liabilities	1j	349	14771
k Total liabilities (add all amounts in lines 1g through 1j)	1k	349	14771

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	23802155	22993929
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Part II Income and Expense Statement

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

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	289	
(B) Participants	2a(1)(B)	0	
(C) Others (including rollovers)	2a(1)(C)	0	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		289

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	743	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		743
(2) Dividends: (A) Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	0	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	0	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	0	
(B) Other	2b(5)(B)	249010	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		249010

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		0
c Other income.....	2c		4601
d Total income. Add all income amounts in column (b) and enter total.....	2d		254643

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	1048098	
(2) To insurance carriers for the provision of benefits.....	2e(2)	0	
(3) Other.....	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		1048098
f Corrective distributions (see instructions).....	2f		0
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		0
i Administrative expenses: (1) Professional fees.....	2i(1)	0	
(2) Contract administrator fees.....	2i(2)	0	
(3) Investment advisory and management fees.....	2i(3)	0	
(4) Other.....	2i(4)	14771	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		14771
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		1062869

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		-808226
l Transfers of assets:			
(1) To this plan.....	2l(1)		0
(2) From this plan.....	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

(1) Name: **MAYER HOFFMAN MCCANN, PC**

(2) EIN: **43-1947695**

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

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

Part IV Compliance Questions

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

During the plan year:

- a** Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....
- b** Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....

	Yes	No	Amount
4a		X	0
4b		X	0

	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.)		X	0
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.).....		X	0
e Was this plan covered by a fidelity bond?	X		5000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		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?.....		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?.....		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.)	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.)	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?		X	
l Has the plan failed to provide any benefit when due under the plan?.....		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		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.			

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 2014 This Form is Open to Public Inspection.
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For calendar plan year 2014 or fiscal plan year beginning 09/01/2014 and ending 08/31/2015

A Name of plan <u>EXPRESS MESSENGER SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>EXPRESS MESSENGER SYSTEMS, INC</u>	D Employer Identification Number (EIN) <u>98-0066674</u>

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

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>4168</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>42-0127290</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	

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

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

Part III	Amendments
-----------------	-------------------

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**EXPRESS MESSENGER SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL SCHEDULES**

August 31, 2015 and 2014

**EXPRESS MESSENGER SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL SCHEDULES**

August 31, 2015 and 2014

INDEX

	<u>Pages</u>
INDEPENDENT AUDITORS' REPORT	1 - 2
FINANCIAL STATEMENTS	
Statements of Net Assets Available for Benefits	3
Statement of Changes in Net Assets Available for Benefits	4
Notes to Financial Statements	5 - 10
SUPPLEMENTAL SCHEDULES	
Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year)	11
Schedule H, Line 4(j) - Schedule of Reportable Transactions	12



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INDEPENDENT AUDITORS' REPORT

To the Administrative Committee of

EXPRESS MESSENGER SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Report on the Financial Statements

We have audited the accompanying financial statements of *Express Messenger Systems, Inc. Employee Stock Ownership Plan* (the "Plan"), which comprise the statements of net assets available for benefits as of August 31, 2015 and 2014, and the related statement of changes in net assets available for benefits for the year ended August 31, 2015, 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 our audit. We conducted our audit 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 financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the 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 Plan'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 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 net assets available for benefits of **Express Messenger Systems, Inc. Employee Stock Ownership Plan** as of August 31, 2015 and 2014, and the changes in net assets available for benefits for the year ended August 31, 2015 in accordance with accounting principles generally accepted in the United States of America.

Report on Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of assets (held at end of year) as of August 31, 2015 and the schedule of reportable transactions for the year ended August 31, 2015 are presented for the purpose of additional analysis and are not a required part of the financial statements, but are supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

Emphasis of Matter

As discussed in Note 2 to the financial statements, the Plan adopted ASU No. 2015-07 and ASU No. 2015-12 during the year ended August 31, 2015. Our opinion is not modified with respect to this matter.

A handwritten signature in black ink that reads "Mayer Hoffman McCann P.C." in a cursive, flowing script.

June 10, 2016

**EXPRESS MESSENGER SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

August 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
ASSETS		
INVESTMENTS, AT FAIR VALUE		
Cash, interest bearing	\$ -	\$ 3,967,233
Investment in sponsor company common stock, at fair value	-	19,834,819
Money market funds	<u>23,008,287</u>	<u>-</u>
TOTAL INVESTMENTS	23,008,287	23,802,052
INTEREST INCOME AND OTHER RECEIVABLES	<u>413</u>	<u>452</u>
TOTAL ASSETS	<u>23,008,700</u>	<u>23,802,504</u>
LIABILITIES		
OTHER LIABILITIES	<u>14,771</u>	<u>349</u>
TOTAL LIABILITIES	<u>14,771</u>	<u>349</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 22,993,929</u>	<u>\$ 23,802,155</u>

See Notes to Financial Statements

**EXPRESS MESSENGER SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Year Ended August 31, 2015

	<u>Total</u>
ADDITIONS	
Interest	\$ 1,032
Net appreciation in market value of investments	249,011
Other income	<u>4,600</u>
TOTAL ADDITIONS	<u>254,643</u>
DEDUCTIONS	
Benefit payments	1,048,098
Other expenses	<u>14,771</u>
TOTAL DEDUCTIONS	<u>1,062,869</u>
NET INCREASE IN NET ASSETS AVAILABLE FOR BENEFITS	(808,226)
NET ASSETS AVAILABLE FOR BENEFITS, BEGINNING OF YEAR	<u>23,802,155</u>
NET ASSETS AVAILABLE FOR BENEFITS, END OF YEAR	<u><u>\$ 22,993,929</u></u>

See Notes to Financial Statements

EXPRESS MESSENGER SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

August 31, 2015 and 2014

(1) Description of the Plan

The following description of the *Express Messenger Systems, Inc. Employee Stock Ownership Plan* (the "Plan") provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

The Plan is administered by a trustee and an administrator appointed by Express Messenger Systems, Inc. (the "Company"), the Plan's sponsor.

The Company established the Plan effective as of September 1, 2005. The Plan operates as an employee stock ownership plan (the "ESOP"), which was leveraged until April 2012. The Plan is designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code of 1986, as amended (the "Code"), and is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). The Plan is administered by an Administrative Committee comprising persons appointed by the Company's Board of Directors. The trust department of an independent third-party is the Plan's Trustee.

The Plan purchased Company preferred shares using the proceeds of a loan payable that was guaranteed by the Company, and held the stock in a trust established under the Plan. The loan payable was to be repaid over a period of ten years by fully tax deductible Company contributions to the ESOP. Dividends were also used to repay the loan. As the Plan made payments on the ESOP loan, an appropriate percentage of stock was allocated to eligible employees' accounts in accordance with applicable regulations under the Code. The Company redeemed all shares of common stock during the year ended August 31, 2015.

The borrowing was collateralized by the unallocated shares of preferred stock and was guaranteed by the Company. The lender had no rights against shares once they are allocated under the ESOP. All shares were allocated to participants when the loan was repaid in full in April 2012. Accordingly, the financial statements of the Plan as of August 31, 2015 and 2014 and for the year ended August 31, 2015 present all activity as allocated.

During the year ended August 31, 2014, the Plan was amended to allow for additional transfers of cash to the Express Messenger Systems, Inc. 401(k) Plan from certain accounts of Plan participants who were already 100% vested as of the end of a plan year and who were still employed as of the date of transfer.

- A. General** – The Plan is a defined contribution plan covering all employees of the Company who are 21 years of age, have completed one year of service for salaried employees, completed one year of service with 1,000 hours worked for hourly employees, and who are actively employed on the last day of the Plan year.
- B. Contributions** – Company contributions to the Plan are voluntary and shall not exceed the maximum amount deductible under the Internal Revenue Code. There were no contributions authorized by the Board of Directors of the Company for 2015.
- C. Dividends** – During 2015, there was no declaration or payment of dividends on common stock held by the Plan.

**EXPRESS MESSENGER SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

NOTES TO FINANCIAL STATEMENTS

August 31, 2015 and 2014

(1) Description of the Plan (continued)

- D. Participant accounts** – The Plan is a defined contribution plan under which a separate individual account is established for each participant. Through August 31, 2011, each participant's account was credited as of the last day of each Plan year with an allocation of shares of the Company's preferred stock released by the Trustee from the unallocated account and forfeitures of terminated participants' non-vested accounts. Only those participants who were eligible employees of the Company as of the last day of the Plan year received an allocation. During the year ended August 31, 2012, participants were credited with a final allocation of preferred shares that were then converted to common shares in connection with the full repayment of the ESOP loan. Final allocations as a result of the loan repayment were based on the number of allocated shares as a percentage of total allocated shares.

The Plan was amended on July 13, 2012 to establish a special accounting period from September 1, 2011 through February 29, 2012 related to the share redemption. The purchase price established by the amendment was \$1,600 per share. The hours of service eligibility requirement was modified for the special accounting period to 500 hours. As of February 29, 2012, contributions made to the Plan were allocated to the cash balances of participant accounts based on eligible wages. Dividends were allocated at the end of the special accounting period based on the number of allocated shares.

Allocations of contributions are based on a participant's eligible compensation, relative to total eligible compensation. Allocations of Plan earnings are based on participant account balances or eligible compensation as defined in the Plan agreement. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

- E. Vesting** – During the year ended August 31, 2014, the Company amended the Plan to accelerate vesting for all participants not yet fully vested in their accounts and to provide for no further forfeitures for allocation after the plan year ended August 31, 2013. As a result, all participant balances in the Plan became fully vested and all amounts forfeited after September 1, 2013 were reinstated effective August 15, 2014.
- F. Forfeitures** – There were no forfeited non-vested balances at August 31, 2015 and 2014.
- G. Payment of benefits** – Distributions are made when a participant retires, reaches age 70 ½ and is a 5% owner, becomes disabled, dies (in which case, payment shall be made to his or her beneficiary or, if none, his or her legal representatives), or otherwise terminates employment with the Company. Distributions are made in the form of cash and recorded when paid.
- H. Termination of the Plan** – The Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. By action of the Board of Directors, the Company decided to terminate the Plan effective April 6, 2015. The Company is in the process of filing an application with the IRS for approval on plan termination. Once IRS approval has been received, the net assets will be distributed in cash to participants. In general, the accounts of active participants will be transferred to the Express Messenger Systems, Inc. 401(k) Plan and accounts of inactive participants will be paid to the participant upon receipt of the IRS approval.
- I. Administrative expenses** – Substantially all administrative expenses of the Plan are paid by the Company and are not reimbursed by the Plan.

EXPRESS MESSENGER SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

August 31, 2015 and 2014

(2) Summary of significant accounting policies

The significant accounting policies followed by the Plan are as follows:

Basis of accounting – The financial statements of the Plan are prepared using the accrual method of accounting. Accordingly, income and contributions are recognized when earned, and expenses are recorded when incurred.

Management's use of estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of net assets and the reported amounts of additions to and deductions from net assets. Actual results could differ from those estimates.

Concentrations of credit risk – The Plan provided for investment in shares of the Company's common stock, which was exposed to various risks, such as interest rate, lack of marketability and credit risks. At August 31, 2014, investments in the Company's common stock represented a significant portion of the investments held by the Plan. Due to the level of risk associated with the Company's common stock, it was at least reasonably possible that changes in risks in the near term would materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits and the statement of changes in net assets available for benefits.

Investment valuation – The shares of the Company were valued at fair market value which approximated fair value on August 31, 2014. Fair market value was determined by an independent appraisal. Dividend income was accounted for on an accrual basis on the ex-dividend date. Purchases and sales of securities are recorded on a trade-date basis. Realized gains and losses from security transactions are reported at fair market value.

Fair value measurements – FASB ASC 820, *Fair Value Measurement*, 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 under FASB ASC 820 are described as follows:

- Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.
- Level 2: Inputs to the valuation methodology include quoted prices for similar assets and 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.

**EXPRESS MESSENGER SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

NOTES TO FINANCIAL STATEMENTS

August 31, 2015 and 2014

(2) Summary of significant accounting policies (continued)

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes to methodologies used at August 31, 2015 and 2014.

Common stock - The common shares of the Company were valued at fair market value on August 31, 2014, which approximates fair value. The guideline company method was used by comparing the Company to publicly traded companies that are similar from an investment risk and return perspective. The discounted cash flow method estimates the value of a company based on the percent value of its expected future economic benefits by using a weighted average cost of capital of 14.0% for the valuation as of August 31, 2014. This resulted in an aggregate fair value of \$19,834,819 or \$2,190 per share of common stock held by the Plan as of August 31, 2014.

Money market funds - This category consists of publicly traded funds of registered investment companies. The net asset value of the money market fund's shares is quoted on the exchange where the fund is traded and therefore classified as Level 1 within the valuation hierarchy.

Payment of benefits – Benefits paid to participants are recorded in the period in which they are paid.

New accounting pronouncements – In May 2015, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2015-07, *Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*. The ASU removes the requirement to categorize within the fair value hierarchy investments for which fair values are estimated using the net asset value per share as a practical expedient provided by FASB Accounting Standards Codification ("ASC") 820, *Fair Value Measurement*. Disclosures about investments in certain entities that calculate net asset value per share are limited under this ASU to investments for which the entity has elected to estimate the fair value using the net asset value practical expedient. The guidance requires retrospective application and is effective for public business entities for fiscal years, and interim periods within those years, beginning after December 15, 2015. For all other entities, the guidance is effective for fiscal years, and interim periods within those years, beginning after December 15, 2016. Early adoption is permitted. Plan's management elected to early adopt the provisions of this new standard. The adoption did not have a material effect on the financial statements.

**EXPRESS MESSENGER SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

NOTES TO FINANCIAL STATEMENTS

August 31, 2015 and 2014

(2) Summary of significant accounting policies (continued)

In July 2015, the FASB issued ASU 2015-12, "Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965): (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, (Part III) Measurement Date Practical Expedient." Part I is not applicable to this Plan. Part II of this ASU eliminates the requirements to disclose individual investments that represent 5 percent or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. It also simplifies the level of disaggregation of investments that are measured using fair value. Plans will continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate investments by investments by nature, characteristics, and risk. Further the disclosure of information about fair value measurements shall be provided by general type of plan. Part III is not applicable to this Plan. The guidance is effective for fiscal years beginning after December 15, 2015 and early adoption is permitted. The guidance in Part II must be applied retrospectively. Plan management has elected to early adopt ASU 2015-12. The statement of changes in net assets available for benefits of the Plan was not affected by the adoption of the new guidance.

Subsequent events – Plan management has evaluated subsequent events through June 10, 2016 which is the date the financial statements of the Plan were available to be issued.

(3) Fair value measurements

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of August 31:

2015:	Level 1	Level 2	Level 3	Total
Money market funds	\$ 23,008,287	\$ -	\$ -	\$ 23,008,287
Total investments	<u>\$ 23,008,287</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,008,287</u>
 2014:	 Level 1	 Level 2	 Level 3	 Total
Cash, interest bearing	\$ 3,967,233	\$ -	\$ -	\$ 3,967,233
Sponsor company common stock	-	-	19,834,819	19,834,819
Total investments	<u>\$ 3,967,233</u>	<u>\$ -</u>	<u>\$ 19,834,819</u>	<u>\$ 23,802,052</u>

The table below sets forth a summary of changes in the fair value of the Plan's level 3 investment for the year ended August 31, 2015:

	Total
Balance, beginning of year	\$ 19,834,819
Proceeds from sale	(20,083,830)
Gain on sale	249,011
Balance, end of year	<u>\$ -</u>

**EXPRESS MESSENGER SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

NOTES TO FINANCIAL STATEMENTS

August 31, 2015 and 2014

(4) Income tax status

The Internal Revenue Service issued a determination letter dated January 8, 2014, stating that the Plan is qualified in form, under Section 401(a) of the Internal Revenue Code (IRC) requirements as of that date. Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Company believe that the Plan was designed and being operated in compliance with the applicable requirements of the IRC and that the Plan was qualified and the related trust was tax-exempt as of August 31, 2015 and 2014 for the year ended August 31, 2015. Subsequent to August 31, 2015, the Plan received a favorable determination letter of the Plan's tax exempt status, dated November 16, 2015, which expires on January 31, 2020.

(5) Party-in-interest transactions

Plan investments were shares of common stock of the Company as of August 31, 2014.

The Plan holds money market funds in an account managed by GreatBanc Trust Company, the Trustee; therefore, transactions with these amounts qualify as party-in-interest transactions. Administrative fees for these services were substantially paid for by the Plan.

SUPPLEMENTAL SCHEDULES

**EXPRESS MESSENGER SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

EIN: #98-0066674

Plan #002

Schedule H, Line 4(i) - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

August 31, 2015

(a)	(b) Identity of Issue	(c) Description of Investment	(d) Cost	(e) Current Value
Goldman Sachs		Money market funds	<u>\$ 23,008,227</u>	<u>\$ 23,008,287</u>

**EXPRESS MESSENGER SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

EIN: #98-0066674

Plan #002

SCHEDULE H, LINE 4(j) - SCHEDULE OF REPORTABLE TRANSACTIONS

August 31, 2015

(a) Identity of party involved	(b) Description of asset	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain or (Loss)
Single transactions by issue in excess of 5% of net assets available for benefits:						
Express Messenger Systems, Inc.	Company common stock	\$ -	\$ 20,083,830	\$ 19,834,819	\$ 20,083,830	\$ 249,011
Goldman Sachs	Money market funds	\$ 20,083,830	\$ -	\$ 20,083,830	\$ 20,083,830	\$ -

**EXPRESS MESSENGER SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL SCHEDULES**

August 31, 2015 and 2014

**EXPRESS MESSENGER SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL SCHEDULES**

August 31, 2015 and 2014

INDEX

	<u>Pages</u>
INDEPENDENT AUDITORS' REPORT	1 - 2
FINANCIAL STATEMENTS	
Statements of Net Assets Available for Benefits	3
Statement of Changes in Net Assets Available for Benefits	4
Notes to Financial Statements	5 - 10
SUPPLEMENTAL SCHEDULES	
Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year)	11
Schedule H, Line 4(j) - Schedule of Reportable Transactions	12



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INDEPENDENT AUDITORS' REPORT

To the Administrative Committee of

EXPRESS MESSENGER SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Report on the Financial Statements

We have audited the accompanying financial statements of *Express Messenger Systems, Inc. Employee Stock Ownership Plan* (the "Plan"), which comprise the statements of net assets available for benefits as of August 31, 2015 and 2014, and the related statement of changes in net assets available for benefits for the year ended August 31, 2015, 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 our audit. We conducted our audit 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 financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the 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 Plan'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 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 net assets available for benefits of **Express Messenger Systems, Inc. Employee Stock Ownership Plan** as of August 31, 2015 and 2014, and the changes in net assets available for benefits for the year ended August 31, 2015 in accordance with accounting principles generally accepted in the United States of America.

Report on Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of assets (held at end of year) as of August 31, 2015 and the schedule of reportable transactions for the year ended August 31, 2015 are presented for the purpose of additional analysis and are not a required part of the financial statements, but are supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

Emphasis of Matter

As discussed in Note 2 to the financial statements, the Plan adopted ASU No. 2015-07 and ASU No. 2015-12 during the year ended August 31, 2015. Our opinion is not modified with respect to this matter.

A handwritten signature in black ink that reads "Mayer Hoffman McCann P.C." in a cursive, flowing script.

June 10, 2016

**EXPRESS MESSENGER SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

August 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
ASSETS		
INVESTMENTS, AT FAIR VALUE		
Cash, interest bearing	\$ -	\$ 3,967,233
Investment in sponsor company common stock, at fair value	-	19,834,819
Money market funds	<u>23,008,287</u>	<u>-</u>
TOTAL INVESTMENTS	23,008,287	23,802,052
INTEREST INCOME AND OTHER RECEIVABLES	<u>413</u>	<u>452</u>
TOTAL ASSETS	<u>23,008,700</u>	<u>23,802,504</u>
LIABILITIES		
OTHER LIABILITIES	<u>14,771</u>	<u>349</u>
TOTAL LIABILITIES	<u>14,771</u>	<u>349</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 22,993,929</u>	<u>\$ 23,802,155</u>

See Notes to Financial Statements

**EXPRESS MESSENGER SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Year Ended August 31, 2015

	<u>Total</u>
ADDITIONS	
Interest	\$ 1,032
Net appreciation in market value of investments	249,011
Other income	<u>4,600</u>
TOTAL ADDITIONS	<u>254,643</u>
DEDUCTIONS	
Benefit payments	1,048,098
Other expenses	<u>14,771</u>
TOTAL DEDUCTIONS	<u>1,062,869</u>
NET INCREASE IN NET ASSETS AVAILABLE FOR BENEFITS	(808,226)
NET ASSETS AVAILABLE FOR BENEFITS, BEGINNING OF YEAR	<u>23,802,155</u>
NET ASSETS AVAILABLE FOR BENEFITS, END OF YEAR	<u><u>\$ 22,993,929</u></u>

See Notes to Financial Statements

EXPRESS MESSENGER SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

August 31, 2015 and 2014

(1) Description of the Plan

The following description of the *Express Messenger Systems, Inc. Employee Stock Ownership Plan* (the "Plan") provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

The Plan is administered by a trustee and an administrator appointed by Express Messenger Systems, Inc. (the "Company"), the Plan's sponsor.

The Company established the Plan effective as of September 1, 2005. The Plan operates as an employee stock ownership plan (the "ESOP"), which was leveraged until April 2012. The Plan is designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code of 1986, as amended (the "Code"), and is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). The Plan is administered by an Administrative Committee comprising persons appointed by the Company's Board of Directors. The trust department of an independent third-party is the Plan's Trustee.

The Plan purchased Company preferred shares using the proceeds of a loan payable that was guaranteed by the Company, and held the stock in a trust established under the Plan. The loan payable was to be repaid over a period of ten years by fully tax deductible Company contributions to the ESOP. Dividends were also used to repay the loan. As the Plan made payments on the ESOP loan, an appropriate percentage of stock was allocated to eligible employees' accounts in accordance with applicable regulations under the Code. The Company redeemed all shares of common stock during the year ended August 31, 2015.

The borrowing was collateralized by the unallocated shares of preferred stock and was guaranteed by the Company. The lender had no rights against shares once they are allocated under the ESOP. All shares were allocated to participants when the loan was repaid in full in April 2012. Accordingly, the financial statements of the Plan as of August 31, 2015 and 2014 and for the year ended August 31, 2015 present all activity as allocated.

During the year ended August 31, 2014, the Plan was amended to allow for additional transfers of cash to the Express Messenger Systems, Inc. 401(k) Plan from certain accounts of Plan participants who were already 100% vested as of the end of a plan year and who were still employed as of the date of transfer.

- A. General** – The Plan is a defined contribution plan covering all employees of the Company who are 21 years of age, have completed one year of service for salaried employees, completed one year of service with 1,000 hours worked for hourly employees, and who are actively employed on the last day of the Plan year.
- B. Contributions** – Company contributions to the Plan are voluntary and shall not exceed the maximum amount deductible under the Internal Revenue Code. There were no contributions authorized by the Board of Directors of the Company for 2015.
- C. Dividends** – During 2015, there was no declaration or payment of dividends on common stock held by the Plan.

**EXPRESS MESSENGER SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

NOTES TO FINANCIAL STATEMENTS

August 31, 2015 and 2014

(1) Description of the Plan (continued)

- D. Participant accounts** – The Plan is a defined contribution plan under which a separate individual account is established for each participant. Through August 31, 2011, each participant's account was credited as of the last day of each Plan year with an allocation of shares of the Company's preferred stock released by the Trustee from the unallocated account and forfeitures of terminated participants' non-vested accounts. Only those participants who were eligible employees of the Company as of the last day of the Plan year received an allocation. During the year ended August 31, 2012, participants were credited with a final allocation of preferred shares that were then converted to common shares in connection with the full repayment of the ESOP loan. Final allocations as a result of the loan repayment were based on the number of allocated shares as a percentage of total allocated shares.

The Plan was amended on July 13, 2012 to establish a special accounting period from September 1, 2011 through February 29, 2012 related to the share redemption. The purchase price established by the amendment was \$1,600 per share. The hours of service eligibility requirement was modified for the special accounting period to 500 hours. As of February 29, 2012, contributions made to the Plan were allocated to the cash balances of participant accounts based on eligible wages. Dividends were allocated at the end of the special accounting period based on the number of allocated shares.

Allocations of contributions are based on a participant's eligible compensation, relative to total eligible compensation. Allocations of Plan earnings are based on participant account balances or eligible compensation as defined in the Plan agreement. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

- E. Vesting** – During the year ended August 31, 2014, the Company amended the Plan to accelerate vesting for all participants not yet fully vested in their accounts and to provide for no further forfeitures for allocation after the plan year ended August 31, 2013. As a result, all participant balances in the Plan became fully vested and all amounts forfeited after September 1, 2013 were reinstated effective August 15, 2014.
- F. Forfeitures** – There were no forfeited non-vested balances at August 31, 2015 and 2014.
- G. Payment of benefits** – Distributions are made when a participant retires, reaches age 70 ½ and is a 5% owner, becomes disabled, dies (in which case, payment shall be made to his or her beneficiary or, if none, his or her legal representatives), or otherwise terminates employment with the Company. Distributions are made in the form of cash and recorded when paid.
- H. Termination of the Plan** – The Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. By action of the Board of Directors, the Company decided to terminate the Plan effective April 6, 2015. The Company is in the process of filing an application with the IRS for approval on plan termination. Once IRS approval has been received, the net assets will be distributed in cash to participants. In general, the accounts of active participants will be transferred to the Express Messenger Systems, Inc. 401(k) Plan and accounts of inactive participants will be paid to the participant upon receipt of the IRS approval.
- I. Administrative expenses** – Substantially all administrative expenses of the Plan are paid by the Company and are not reimbursed by the Plan.

EXPRESS MESSENGER SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

August 31, 2015 and 2014

(2) Summary of significant accounting policies

The significant accounting policies followed by the Plan are as follows:

Basis of accounting – The financial statements of the Plan are prepared using the accrual method of accounting. Accordingly, income and contributions are recognized when earned, and expenses are recorded when incurred.

Management's use of estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of net assets and the reported amounts of additions to and deductions from net assets. Actual results could differ from those estimates.

Concentrations of credit risk – The Plan provided for investment in shares of the Company's common stock, which was exposed to various risks, such as interest rate, lack of marketability and credit risks. At August 31, 2014, investments in the Company's common stock represented a significant portion of the investments held by the Plan. Due to the level of risk associated with the Company's common stock, it was at least reasonably possible that changes in risks in the near term would materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits and the statement of changes in net assets available for benefits.

Investment valuation – The shares of the Company were valued at fair market value which approximated fair value on August 31, 2014. Fair market value was determined by an independent appraisal. Dividend income was accounted for on an accrual basis on the ex-dividend date. Purchases and sales of securities are recorded on a trade-date basis. Realized gains and losses from security transactions are reported at fair market value.

Fair value measurements – FASB ASC 820, *Fair Value Measurement*, 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 under FASB ASC 820 are described as follows:

- Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.
- Level 2: Inputs to the valuation methodology include quoted prices for similar assets and 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.

**EXPRESS MESSENGER SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

NOTES TO FINANCIAL STATEMENTS

August 31, 2015 and 2014

(2) Summary of significant accounting policies (continued)

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes to methodologies used at August 31, 2015 and 2014.

Common stock - The common shares of the Company were valued at fair market value on August 31, 2014, which approximates fair value. The guideline company method was used by comparing the Company to publicly traded companies that are similar from an investment risk and return perspective. The discounted cash flow method estimates the value of a company based on the percent value of its expected future economic benefits by using a weighted average cost of capital of 14.0% for the valuation as of August 31, 2014. This resulted in an aggregate fair value of \$19,834,819 or \$2,190 per share of common stock held by the Plan as of August 31, 2014.

Money market funds - This category consists of publicly traded funds of registered investment companies. The net asset value of the money market fund's shares is quoted on the exchange where the fund is traded and therefore classified as Level 1 within the valuation hierarchy.

Payment of benefits – Benefits paid to participants are recorded in the period in which they are paid.

New accounting pronouncements – In May 2015, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2015-07, *Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*. The ASU removes the requirement to categorize within the fair value hierarchy investments for which fair values are estimated using the net asset value per share as a practical expedient provided by FASB Accounting Standards Codification ("ASC") 820, *Fair Value Measurement*. Disclosures about investments in certain entities that calculate net asset value per share are limited under this ASU to investments for which the entity has elected to estimate the fair value using the net asset value practical expedient. The guidance requires retrospective application and is effective for public business entities for fiscal years, and interim periods within those years, beginning after December 15, 2015. For all other entities, the guidance is effective for fiscal years, and interim periods within those years, beginning after December 15, 2016. Early adoption is permitted. Plan's management elected to early adopt the provisions of this new standard. The adoption did not have a material effect on the financial statements.

**EXPRESS MESSENGER SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

NOTES TO FINANCIAL STATEMENTS

August 31, 2015 and 2014

(2) Summary of significant accounting policies (continued)

In July 2015, the FASB issued ASU 2015-12, "Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965): (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, (Part III) Measurement Date Practical Expedient." Part I is not applicable to this Plan. Part II of this ASU eliminates the requirements to disclose individual investments that represent 5 percent or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. It also simplifies the level of disaggregation of investments that are measured using fair value. Plans will continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate investments by investments by nature, characteristics, and risk. Further the disclosure of information about fair value measurements shall be provided by general type of plan. Part III is not applicable to this Plan. The guidance is effective for fiscal years beginning after December 15, 2015 and early adoption is permitted. The guidance in Part II must be applied retrospectively. Plan management has elected to early adopt ASU 2015-12. The statement of changes in net assets available for benefits of the Plan was not affected by the adoption of the new guidance.

Subsequent events – Plan management has evaluated subsequent events through June 10, 2016 which is the date the financial statements of the Plan were available to be issued.

(3) Fair value measurements

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of August 31:

2015:	Level 1	Level 2	Level 3	Total
Money market funds	\$ 23,008,287	\$ -	\$ -	\$ 23,008,287
Total investments	<u>\$ 23,008,287</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,008,287</u>
 2014:	 Level 1	 Level 2	 Level 3	 Total
Cash, interest bearing	\$ 3,967,233	\$ -	\$ -	\$ 3,967,233
Sponsor company common stock	-	-	19,834,819	19,834,819
Total investments	<u>\$ 3,967,233</u>	<u>\$ -</u>	<u>\$ 19,834,819</u>	<u>\$ 23,802,052</u>

The table below sets forth a summary of changes in the fair value of the Plan's level 3 investment for the year ended August 31, 2015:

	Total
Balance, beginning of year	\$ 19,834,819
Proceeds from sale	(20,083,830)
Gain on sale	249,011
Balance, end of year	<u>\$ -</u>

**EXPRESS MESSENGER SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

NOTES TO FINANCIAL STATEMENTS

August 31, 2015 and 2014

(4) Income tax status

The Internal Revenue Service issued a determination letter dated January 8, 2014, stating that the Plan is qualified in form, under Section 401(a) of the Internal Revenue Code (IRC) requirements as of that date. Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Company believe that the Plan was designed and being operated in compliance with the applicable requirements of the IRC and that the Plan was qualified and the related trust was tax-exempt as of August 31, 2015 and 2014 for the year ended August 31, 2015. Subsequent to August 31, 2015, the Plan received a favorable determination letter of the Plan's tax exempt status, dated November 16, 2015, which expires on January 31, 2020.

(5) Party-in-interest transactions

Plan investments were shares of common stock of the Company as of August 31, 2014.

The Plan holds money market funds in an account managed by GreatBanc Trust Company, the Trustee; therefore, transactions with these amounts qualify as party-in-interest transactions. Administrative fees for these services were substantially paid for by the Plan.

SUPPLEMENTAL SCHEDULES

**EXPRESS MESSENGER SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

EIN: #98-0066674

Plan #002

Schedule H, Line 4(i) - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

August 31, 2015

(a)	(b) Identity of Issue	(c) Description of Investment	(d) Cost	(e) Current Value
Goldman Sachs		Money market funds	<u>\$ 23,008,227</u>	<u>\$ 23,008,287</u>

**EXPRESS MESSENGER SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

EIN: #98-0066674

Plan #002

SCHEDULE H, LINE 4(j) - SCHEDULE OF REPORTABLE TRANSACTIONS

August 31, 2015

(a) Identity of party involved	(b) Description of asset	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain or (Loss)
Single transactions by issue in excess of 5% of net assets available for benefits:						
Express Messenger Systems, Inc.	Company common stock	\$ -	\$ 20,083,830	\$ 19,834,819	\$ 20,083,830	\$ 249,011
Goldman Sachs	Money market funds	\$ 20,083,830	\$ -	\$ 20,083,830	\$ 20,083,830	\$ -

**EXPRESS MESSENGER SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL SCHEDULES**

August 31, 2015 and 2014

**EXPRESS MESSENGER SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL SCHEDULES**

August 31, 2015 and 2014

INDEX

	<u>Pages</u>
INDEPENDENT AUDITORS' REPORT	1 - 2
FINANCIAL STATEMENTS	
Statements of Net Assets Available for Benefits	3
Statement of Changes in Net Assets Available for Benefits	4
Notes to Financial Statements	5 - 10
SUPPLEMENTAL SCHEDULES	
Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year)	11
Schedule H, Line 4(j) - Schedule of Reportable Transactions	12



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INDEPENDENT AUDITORS' REPORT

To the Administrative Committee of

EXPRESS MESSENGER SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Report on the Financial Statements

We have audited the accompanying financial statements of *Express Messenger Systems, Inc. Employee Stock Ownership Plan* (the "Plan"), which comprise the statements of net assets available for benefits as of August 31, 2015 and 2014, and the related statement of changes in net assets available for benefits for the year ended August 31, 2015, 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 our audit. We conducted our audit 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 financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the 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 Plan'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 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 net assets available for benefits of **Express Messenger Systems, Inc. Employee Stock Ownership Plan** as of August 31, 2015 and 2014, and the changes in net assets available for benefits for the year ended August 31, 2015 in accordance with accounting principles generally accepted in the United States of America.

Report on Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of assets (held at end of year) as of August 31, 2015 and the schedule of reportable transactions for the year ended August 31, 2015 are presented for the purpose of additional analysis and are not a required part of the financial statements, but are supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

Emphasis of Matter

As discussed in Note 2 to the financial statements, the Plan adopted ASU No. 2015-07 and ASU No. 2015-12 during the year ended August 31, 2015. Our opinion is not modified with respect to this matter.

A handwritten signature in black ink that reads "Mayer Hoffman McCann P.C." in a cursive, flowing script.

June 10, 2016

**EXPRESS MESSENGER SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

August 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
ASSETS		
INVESTMENTS, AT FAIR VALUE		
Cash, interest bearing	\$ -	\$ 3,967,233
Investment in sponsor company common stock, at fair value	-	19,834,819
Money market funds	<u>23,008,287</u>	<u>-</u>
TOTAL INVESTMENTS	23,008,287	23,802,052
INTEREST INCOME AND OTHER RECEIVABLES	<u>413</u>	<u>452</u>
TOTAL ASSETS	<u>23,008,700</u>	<u>23,802,504</u>
LIABILITIES		
OTHER LIABILITIES	<u>14,771</u>	<u>349</u>
TOTAL LIABILITIES	<u>14,771</u>	<u>349</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 22,993,929</u>	<u>\$ 23,802,155</u>

See Notes to Financial Statements

**EXPRESS MESSENGER SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Year Ended August 31, 2015

	<u>Total</u>
ADDITIONS	
Interest	\$ 1,032
Net appreciation in market value of investments	249,011
Other income	<u>4,600</u>
TOTAL ADDITIONS	<u>254,643</u>
DEDUCTIONS	
Benefit payments	1,048,098
Other expenses	<u>14,771</u>
TOTAL DEDUCTIONS	<u>1,062,869</u>
NET INCREASE IN NET ASSETS AVAILABLE FOR BENEFITS	(808,226)
NET ASSETS AVAILABLE FOR BENEFITS, BEGINNING OF YEAR	<u>23,802,155</u>
NET ASSETS AVAILABLE FOR BENEFITS, END OF YEAR	<u><u>\$ 22,993,929</u></u>

See Notes to Financial Statements

**EXPRESS MESSENGER SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

NOTES TO FINANCIAL STATEMENTS

August 31, 2015 and 2014

(1) Description of the Plan

The following description of the *Express Messenger Systems, Inc. Employee Stock Ownership Plan* (the "Plan") provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

The Plan is administered by a trustee and an administrator appointed by Express Messenger Systems, Inc. (the "Company"), the Plan's sponsor.

The Company established the Plan effective as of September 1, 2005. The Plan operates as an employee stock ownership plan (the "ESOP"), which was leveraged until April 2012. The Plan is designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code of 1986, as amended (the "Code"), and is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). The Plan is administered by an Administrative Committee comprising persons appointed by the Company's Board of Directors. The trust department of an independent third-party is the Plan's Trustee.

The Plan purchased Company preferred shares using the proceeds of a loan payable that was guaranteed by the Company, and held the stock in a trust established under the Plan. The loan payable was to be repaid over a period of ten years by fully tax deductible Company contributions to the ESOP. Dividends were also used to repay the loan. As the Plan made payments on the ESOP loan, an appropriate percentage of stock was allocated to eligible employees' accounts in accordance with applicable regulations under the Code. The Company redeemed all shares of common stock during the year ended August 31, 2015.

The borrowing was collateralized by the unallocated shares of preferred stock and was guaranteed by the Company. The lender had no rights against shares once they are allocated under the ESOP. All shares were allocated to participants when the loan was repaid in full in April 2012. Accordingly, the financial statements of the Plan as of August 31, 2015 and 2014 and for the year ended August 31, 2015 present all activity as allocated.

During the year ended August 31, 2014, the Plan was amended to allow for additional transfers of cash to the Express Messenger Systems, Inc. 401(k) Plan from certain accounts of Plan participants who were already 100% vested as of the end of a plan year and who were still employed as of the date of transfer.

- A. General** – The Plan is a defined contribution plan covering all employees of the Company who are 21 years of age, have completed one year of service for salaried employees, completed one year of service with 1,000 hours worked for hourly employees, and who are actively employed on the last day of the Plan year.
- B. Contributions** – Company contributions to the Plan are voluntary and shall not exceed the maximum amount deductible under the Internal Revenue Code. There were no contributions authorized by the Board of Directors of the Company for 2015.
- C. Dividends** – During 2015, there was no declaration or payment of dividends on common stock held by the Plan.

**EXPRESS MESSENGER SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

NOTES TO FINANCIAL STATEMENTS

August 31, 2015 and 2014

(1) Description of the Plan (continued)

- D. Participant accounts** – The Plan is a defined contribution plan under which a separate individual account is established for each participant. Through August 31, 2011, each participant's account was credited as of the last day of each Plan year with an allocation of shares of the Company's preferred stock released by the Trustee from the unallocated account and forfeitures of terminated participants' non-vested accounts. Only those participants who were eligible employees of the Company as of the last day of the Plan year received an allocation. During the year ended August 31, 2012, participants were credited with a final allocation of preferred shares that were then converted to common shares in connection with the full repayment of the ESOP loan. Final allocations as a result of the loan repayment were based on the number of allocated shares as a percentage of total allocated shares.

The Plan was amended on July 13, 2012 to establish a special accounting period from September 1, 2011 through February 29, 2012 related to the share redemption. The purchase price established by the amendment was \$1,600 per share. The hours of service eligibility requirement was modified for the special accounting period to 500 hours. As of February 29, 2012, contributions made to the Plan were allocated to the cash balances of participant accounts based on eligible wages. Dividends were allocated at the end of the special accounting period based on the number of allocated shares.

Allocations of contributions are based on a participant's eligible compensation, relative to total eligible compensation. Allocations of Plan earnings are based on participant account balances or eligible compensation as defined in the Plan agreement. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

- E. Vesting** – During the year ended August 31, 2014, the Company amended the Plan to accelerate vesting for all participants not yet fully vested in their accounts and to provide for no further forfeitures for allocation after the plan year ended August 31, 2013. As a result, all participant balances in the Plan became fully vested and all amounts forfeited after September 1, 2013 were reinstated effective August 15, 2014.
- F. Forfeitures** – There were no forfeited non-vested balances at August 31, 2015 and 2014.
- G. Payment of benefits** – Distributions are made when a participant retires, reaches age 70 ½ and is a 5% owner, becomes disabled, dies (in which case, payment shall be made to his or her beneficiary or, if none, his or her legal representatives), or otherwise terminates employment with the Company. Distributions are made in the form of cash and recorded when paid.
- H. Termination of the Plan** – The Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. By action of the Board of Directors, the Company decided to terminate the Plan effective April 6, 2015. The Company is in the process of filing an application with the IRS for approval on plan termination. Once IRS approval has been received, the net assets will be distributed in cash to participants. In general, the accounts of active participants will be transferred to the Express Messenger Systems, Inc. 401(k) Plan and accounts of inactive participants will be paid to the participant upon receipt of the IRS approval.
- I. Administrative expenses** – Substantially all administrative expenses of the Plan are paid by the Company and are not reimbursed by the Plan.

EXPRESS MESSENGER SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

August 31, 2015 and 2014

(2) Summary of significant accounting policies

The significant accounting policies followed by the Plan are as follows:

Basis of accounting – The financial statements of the Plan are prepared using the accrual method of accounting. Accordingly, income and contributions are recognized when earned, and expenses are recorded when incurred.

Management's use of estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of net assets and the reported amounts of additions to and deductions from net assets. Actual results could differ from those estimates.

Concentrations of credit risk – The Plan provided for investment in shares of the Company's common stock, which was exposed to various risks, such as interest rate, lack of marketability and credit risks. At August 31, 2014, investments in the Company's common stock represented a significant portion of the investments held by the Plan. Due to the level of risk associated with the Company's common stock, it was at least reasonably possible that changes in risks in the near term would materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits and the statement of changes in net assets available for benefits.

Investment valuation – The shares of the Company were valued at fair market value which approximated fair value on August 31, 2014. Fair market value was determined by an independent appraisal. Dividend income was accounted for on an accrual basis on the ex-dividend date. Purchases and sales of securities are recorded on a trade-date basis. Realized gains and losses from security transactions are reported at fair market value.

Fair value measurements – FASB ASC 820, *Fair Value Measurement*, 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 under FASB ASC 820 are described as follows:

- Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.
- Level 2: Inputs to the valuation methodology include quoted prices for similar assets and 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.

**EXPRESS MESSENGER SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

NOTES TO FINANCIAL STATEMENTS

August 31, 2015 and 2014

(2) Summary of significant accounting policies (continued)

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes to methodologies used at August 31, 2015 and 2014.

Common stock - The common shares of the Company were valued at fair market value on August 31, 2014, which approximates fair value. The guideline company method was used by comparing the Company to publicly traded companies that are similar from an investment risk and return perspective. The discounted cash flow method estimates the value of a company based on the percent value of its expected future economic benefits by using a weighted average cost of capital of 14.0% for the valuation as of August 31, 2014. This resulted in an aggregate fair value of \$19,834,819 or \$2,190 per share of common stock held by the Plan as of August 31, 2014.

Money market funds - This category consists of publicly traded funds of registered investment companies. The net asset value of the money market fund's shares is quoted on the exchange where the fund is traded and therefore classified as Level 1 within the valuation hierarchy.

Payment of benefits – Benefits paid to participants are recorded in the period in which they are paid.

New accounting pronouncements – In May 2015, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2015-07, *Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*. The ASU removes the requirement to categorize within the fair value hierarchy investments for which fair values are estimated using the net asset value per share as a practical expedient provided by FASB Accounting Standards Codification ("ASC") 820, *Fair Value Measurement*. Disclosures about investments in certain entities that calculate net asset value per share are limited under this ASU to investments for which the entity has elected to estimate the fair value using the net asset value practical expedient. The guidance requires retrospective application and is effective for public business entities for fiscal years, and interim periods within those years, beginning after December 15, 2015. For all other entities, the guidance is effective for fiscal years, and interim periods within those years, beginning after December 15, 2016. Early adoption is permitted. Plan's management elected to early adopt the provisions of this new standard. The adoption did not have a material effect on the financial statements.

**EXPRESS MESSENGER SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

NOTES TO FINANCIAL STATEMENTS

August 31, 2015 and 2014

(2) Summary of significant accounting policies (continued)

In July 2015, the FASB issued ASU 2015-12, "Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965): (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, (Part III) Measurement Date Practical Expedient." Part I is not applicable to this Plan. Part II of this ASU eliminates the requirements to disclose individual investments that represent 5 percent or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. It also simplifies the level of disaggregation of investments that are measured using fair value. Plans will continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate investments by investments by nature, characteristics, and risk. Further the disclosure of information about fair value measurements shall be provided by general type of plan. Part III is not applicable to this Plan. The guidance is effective for fiscal years beginning after December 15, 2015 and early adoption is permitted. The guidance in Part II must be applied retrospectively. Plan management has elected to early adopt ASU 2015-12. The statement of changes in net assets available for benefits of the Plan was not affected by the adoption of the new guidance.

Subsequent events – Plan management has evaluated subsequent events through June 10, 2016 which is the date the financial statements of the Plan were available to be issued.

(3) Fair value measurements

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of August 31:

2015:	Level 1	Level 2	Level 3	Total
Money market funds	\$ 23,008,287	\$ -	\$ -	\$ 23,008,287
Total investments	<u>\$ 23,008,287</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,008,287</u>
 2014:	 Level 1	 Level 2	 Level 3	 Total
Cash, interest bearing	\$ 3,967,233	\$ -	\$ -	\$ 3,967,233
Sponsor company common stock	-	-	19,834,819	19,834,819
Total investments	<u>\$ 3,967,233</u>	<u>\$ -</u>	<u>\$ 19,834,819</u>	<u>\$ 23,802,052</u>

The table below sets forth a summary of changes in the fair value of the Plan's level 3 investment for the year ended August 31, 2015:

	Total
Balance, beginning of year	\$ 19,834,819
Proceeds from sale	(20,083,830)
Gain on sale	249,011
Balance, end of year	<u>\$ -</u>

**EXPRESS MESSENGER SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

NOTES TO FINANCIAL STATEMENTS

August 31, 2015 and 2014

(4) Income tax status

The Internal Revenue Service issued a determination letter dated January 8, 2014, stating that the Plan is qualified in form, under Section 401(a) of the Internal Revenue Code (IRC) requirements as of that date. Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Company believe that the Plan was designed and being operated in compliance with the applicable requirements of the IRC and that the Plan was qualified and the related trust was tax-exempt as of August 31, 2015 and 2014 for the year ended August 31, 2015. Subsequent to August 31, 2015, the Plan received a favorable determination letter of the Plan's tax exempt status, dated November 16, 2015, which expires on January 31, 2020.

(5) Party-in-interest transactions

Plan investments were shares of common stock of the Company as of August 31, 2014.

The Plan holds money market funds in an account managed by GreatBanc Trust Company, the Trustee; therefore, transactions with these amounts qualify as party-in-interest transactions. Administrative fees for these services were substantially paid for by the Plan.

SUPPLEMENTAL SCHEDULES

**EXPRESS MESSENGER SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

EIN: #98-0066674

Plan #002

Schedule H, Line 4(i) - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

August 31, 2015

(a)	(b) Identity of Issue	(c) Description of Investment	(d) Cost	(e) Current Value
Goldman Sachs		Money market funds	<u>\$ 23,008,227</u>	<u>\$ 23,008,287</u>

**EXPRESS MESSENGER SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

EIN: #98-0066674

Plan #002

SCHEDULE H, LINE 4(j) - SCHEDULE OF REPORTABLE TRANSACTIONS

August 31, 2015

(a) Identity of party involved	(b) Description of asset	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain or (Loss)
Single transactions by issue in excess of 5% of net assets available for benefits:						
Express Messenger Systems, Inc.	Company common stock	\$ -	\$ 20,083,830	\$ 19,834,819	\$ 20,083,830	\$ 249,011
Goldman Sachs	Money market funds	\$ 20,083,830	\$ -	\$ 20,083,830	\$ 20,083,830	\$ -