Form 5500-S	Short Form Annual Return/Report of Small Employe				OMB Nos. 1210-01 1210-00			
Department of the Treasury Internal Revenue Service	This form is required to be fill	Benefit Plan     This form is required to be filed under sections 104 and 4065 of the Employee Retirement     Income Security Act of 1974 (ERISA), and sections 6057(b) and 6058(a) of the Internal						
Department of Labor Employee Benefits Security Adminis	Income Security Act of 1974							
Pension Benefit Guaranty Corpor	Complete all entries in		nstructions to the Form 55	00-SF.		Inspection		
	<b>cort Identification Information</b>		and ending 12	/31/2015				
A This return/report is for:	a single-employer plan		er plan (not multiemployer)( g employer information in acc		0			
${f B}$ This return/report is	the first return/report an amended return/report	the final return/rep	ort eturn/report (less than 12 mo	nths)				
<b>C</b> Check box if filing under	Form 5558	automatic extension	on		FVC progra	m		
Part II Basic Plan	Information—enter all requested in							
<b>1a</b> Name of plan HOVAIR SYSTEMS, INC. 40			-	(PN)	umber	002		
				1c Effecti	ve date of p 05/01/			
Mailing address (includ	employer, if for a single-employer plan) e room, apt., suite no. and street, or P.4 ovince, country, and ZIP or foreign pos		(netructions)	2b Emplo (EIN)	yer Identific 77-00	ation Number 54212		
OVAIR SYSTEMS, INC.	ovince, country, and zir or loreign pos	tai code (il loreign, see	instructions)	2c Spons	sor's telepho 253-872	ne number -0405		
912 SOUTH 220TH STREE <sup>-</sup> (ENT, WA 98032	r			2d Busine	ess code (se <u>33990</u>	e instructions) 0		
<b>3a</b> Plan administrator's na	me and address XSame as Plan Spor	sor.		<b>3b</b> Admin	istrator's El	N		
			-	3c Admin	istrator's tel	ephone number		
4 If the name and/or EIN	of the plan sponsor has changed since	the last return/report fil	ed for this plan, enter the	4b EIN				
name, EIN, and the pla <b>a</b> Sponsor's name	an number from the last return/report.			<b>4c</b> PN				
5a Total number of particip	pants at the beginning of the plan year.			5a		8		
	pants at the end of the plan year with account balances as of the end of			5b		7		
• •				5c		7		
	ve participants at the beginning of the p	-	7	5d(1)		7		
e Number of participants	ve participants at the end of the plan ye s that terminated employment during th	e plan year with accrued	I benefits that were less	5d(2) 5e		7 0		
Caution: A penalty for the Under penalties of perjury a	late or incomplete filing of this return nd other penalties set forth in the instru- ted and signed by an enrolled actuary,	<b>n/report will be assess</b> actions, I declare that I h	sed unless reasonable causes ave examined this return/rep	ort, including	g, if applical			
	rized/valid electronic signature.	07/01/2016	BETTY ROBERTS					
	lan administrator	Date	Enter name of individu	al signing as	s plan admii	nistrator		
SIGN HERE Signature of a	mployor/plan ananaa	Data	Enter nome of industries		omolour			
	<b>mployer/plan sponsor</b> firm name, if applicable) and address (i	Date nclude room or suite nu	Enter name of individu	al signing as Preparer's t				
For Panerwork Reduction Act	Notice and OMB Control Numbers, see th	ne instructions for Form 5	500-SF.		F	orm 5500-SF (2015)		

<ul><li>6a Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.)</li><li>b Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA)</li></ul>	X Yes No					
under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.)						
If you answered "No" to either line 6a or line 6b, the plan cannot use Form 5500-SF and must instead use Form 5500. C If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)?	Not determined					
Part III Financial Information						
	ind of Voor					
7     Plan Assets and Liabilities     (a) Beginning of Year     (b) E       a     Total plan assets	and of Year 433503					
b Total plan liabilities						
C Net plan assets (subtract line 7b from line 7a) 7c 475937	433503					
	b) Total					
a Contributions received or receivable from:	,					
(1) Employers						
(2) Participants						
(3) Others (including rollovers)						
<b>b</b> Other income (loss)						
C Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	4822					
d     Benefits paid (including direct rollovers and insurance premiums to provide benefits)     8d     41260						
Certain deemed and/or corrective distributions (see instructions) 8e						
f Administrative service providers (salaries, fees, commissions) 8f 5996						
g Other expenses						
h Total expenses (add lines 8d, 8e, 8f, and 8g) 8h	47256					
Net income (loss) (subtract line 8h from line 8c) 8i	-42434					
j Transfers to (from) the plan (see instructions)						
Part IV Plan Characteristics						
9a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the ins 3D 2E 2F 2G 2J 2K	tructions:					
<b>B</b> If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instr	ructions:					
Part V Compliance Questions						
10 During the plan year: Yes No N/A	Amount					
a Was there a failure to transmit to the plan any participant contributions within the time period						
described in 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fiduciary Correction Program)						
b Were there any nonexempt transactions with any party-in-interest? (Do not include transactions						
reported on line 10a.) 10b X						
C Was the plan covered by a fidelity bond? 10c X	50000					
d Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?						
Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service, or other organization that provides some or all of the benefits under						
the plan? (See instructions.) 10e X	3114					
f Has the plan failed to provide any benefit when due under the plan? 10f X						
g Did the plan have any participant loans? (If "Yes," enter amount as of year end.) 10g X						
h If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)						
i If 10h was answered "Yes," check the box if you either provided the required notice or one of the						
i If 10h was answered "Yes," check the box if you either provided the required notice or one of the						

11	Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500) and line 11a below)						
11a	Enter the unpaid minimum required contribution for all years from Schedule SB (Form 5500) line 40	11a					
12	Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 3	302 of E	RISA?	Y	′es X	No	

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	(If "Yes," complete line 12a or lines 12b, 12c, 12d, and 12e below, as applicable.)									
a	a 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 letter ruling granting the waiver									
lf	you c	ompleted line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line	13.		<b>.</b>					
b	Enter	the minimum required contribution for this plan year		12b						
-		the amount contributed by the employer to the plan for this plan year	12c							
d		ract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the ative amount)		12d						
е	Will	the minimum funding amount reported on line 12d be met by the funding deadline?			Yes	No	N/A			
Part	VII	Plan Terminations and Transfers of Assets								
13a	Has	a resolution to terminate the plan been adopted in any plan year?			Υe	es X No				
		es," enter the amount of any plan assets that reverted to the employer this year		13a						
h		e all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brou								
D		e PBGC?				Yes 🗙	No			
С		ring this plan year, any assets or liabilities were transferred from this plan to another plan(s), identi th assets or liabilities were transferred. (See instructions.)	fy the plan(s) to							
1	13c(1)	Name of plan(s):	13c(2)	EIN(s)		13c(3)	PN(s)			
Part	VIII	Trust Information								
14a	Name	of trust		14b	Trust's E	IN				
14c Name of trustee or custodian					<b>14d</b> Trustee's or custodian's telephone number					
Par	t IX	IRS Compliance Questions								
15a	Is th	e plan a 401(k) plan?		Y	es					
15b		es," how does the 401(k) plan satisfy the nondiscrimination requirements for employee deferrals an hing contributions (as applicable) under sections 401(k)(3) and 401(m)(2)?		b h	esign- ased safe arbor nethod	P/ACP				
15c	testir	ADP/ACP test is used, did the 401(k) plan perform ADP/ACP testing for the plan year using the "c ng method" for nonhighly compensated employees (Treas. Reg sections 1.401(k)-2(a)(2)(ii) and 1.4 2)(ii))?		Y	s 🗌 No					
		k the box to indicate the method used by the plan to satisfy the coverage requirements under sect	.,	Цр	atio ercentage est	htage Average benefit test				
16b		the plan satisfy the coverage and nondiscrimination tests of sections 410(b) and 401(a)(4) by con plan with any other plans under the permissive aggregation rules?	0	Y	es	No				
17a	Has	the plan been timely amended for all required tax law changes?		Y	es	No	N/A			
	for ta	the last plan amendment/restatement for the required tax law changes was adopted//////	•				tructions			
17c		plan sponsor is an adopter of a pre-approved master and prototype (M&P) or volume submitter placer sory letter, enter the date of that favorable letter/ and the letter's serial r		t to a f	avorable	IRS opinion	or			
17d		plan is an individually-designed plan and received a favorable determination letter from the IRS, e mination letter/	nter the date of	the pla	in's last fa	avorable				
18		e Plan maintained in a U.S. territory (i.e., Puerto Rico (if no election under ERISA section 1022(i)(2 e), American Samoa, Guam, the Commonwealth of the Northern Mariana Islands or the U.S. Virgir		Υe	S	No				
19	Were	in-service distributions made during the plan year?		<b>Y</b>	es	No				
	lf "Y€	es," enter amount		19						
20		e required minimum distributions made to 5% owners who have attained age 70 ½ (regardless of wed), as required under section 401(a)(9)?	Y	es	No	N/A				

	Form 5500-SF Department of the Treasury Short Form Annual Return/Report of Small Employee OMB Nos. 1210 Benefit Plan								
	Internal Revenue Service								
	Internal Revenue Service         This form is required to be filed under sections 104 and 4065 of the Employee         2015           Department of Labor         Retirement Income Security Act of 1974 (ERISA), and section 6057(b) and 6058(a) of the Internal Revenue Code (the Code).         This Form is Open to Pub Inspection								
Construction of the	Pension Benefit Guaranty Corporation	Complete all entries in acc	ordance with the instru	ctions to the Form 550	0-SF.		- p		
		dentification Information	01 /01 /001 5	and and in a	10	/31/2015			
For	calendar plan year 2015 or fisc		01/01/2015	and ending		, .			
	ix a single-employer plan       a multiple-employer plan (not multiemployer) (Filers checking this box must attach a list of participating employer information in accordance with the form instructions)         in a one-participant plan       a foreign plan         in the first return/report is:       the first return/report         in a mended return/report       a short plan year return/report (less than 12 months)								
_	[				r (Interiori F		~		
С	Check box if filing under:	Form 5558	automatic extension		L	DFVC progra	m		
400000	(201040-42611-19/1)	special extension (enter descrip	otion)						
		mation enter all requested in	formation		46.5				
1a	Name of plan Hovair Systems, Inc.	. 401(k) Retirement Pla	n		F	Three-digit plan number	002		
	novall bybtemb, inc.	, 101(10) 1100110110110 110	••		«	PN) ► Effective date o	002 f plan		
						5/01/2002	i pian		
2a	Mailing Address (include room	ver, if for a single-employer plan) n, apt., suite no. and street or P.O.	Box)			Employer Identi EIN) 77-00	fication Number 54212		
	Hovair Systems, Inc.	e, country, and ZIP or foreign posta	li code (il toreign, see ins	structions)		hone number			
						(253) 872-0 Business code (	(see instructions)		
	6912 South 220th Str	reet				339900			
	US Kent WA 98032								
3a Plan administrator's name and address X Same as Plan Sponsor Name						<b>3b</b> Administrator's EIN			
					3c /	Administrator's t	elephone number		
4		plan sponsor has changed since the ber from the last return/report.	ne last return/report filed	for this plan, enter the	4b 8	EIN			
a	Sponsor's name				<b>4</b> c F	PN			
5a	Total number of participants a	at the beginning of the plan year			5a		8		
b	Total number of participants a	at the end of the plan year			5b		7		
С		ccount balances as of the end of th		•	5c		7		
d(	1) Total number of active partic	cipants at the beginning of the plan	year		<b>5d(1)</b> 7				
d(	2) Total number of active partic	cipants at the end of the plan year	••••••		<b>5d(2)</b> 7				
е	Number of participants that ter less than 100% vested	rminated employment during the pl	lan year with accrued be	nefits that were	5e		0		
Ca	ution: A penalty for the late o	or incomplete filing of this return	/report will be assesse	d unless reasonable ca	use is e	established.			
Ur SE	der penalties of perjury and oth	ner penalties set forth in the instruct ad signed by an enrolled actuary, as	tions, I declare that I hav	e examined this return/re	port, in	cluding, if appli			
	IGN Beltylih	$\smile$	1/1/16	Betty Rol	bert				
1000	ERE Signature of plan admin	aistrator	Date	Enter name of individua		g as plan admi	nistrator		
	halt h	the		Betty Rober	6	<u> </u>			
222011	ERE Signature of employer/	plan sponsor	Date /1//6	Enter name of individua	al signin	g as employer	or plan sponsor		
Pr	eparer's name (including firm na	ame, if applicable) and address; inc	clude room or suite num	ber	Prepar	rer's telephone	number		
Fo	r Paperwork Reduction Act N	lotice and OMB Control Numbers	s, see the instructions i	for Form 5500-SF.	an ber Sirki den Anandar	Fo	orm 5500-SF (2015)		

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6a	Were all of the plan's assets during the plan year invested in eligible	assets?	(See instructions.)	•••••		•••••	•••••		XYes	No
b	Are you claiming a waiver of the annual examination and report of a	n indepen	, ,						J.	
с	under 29 CFR 2520.104-46? (See instructions on waiver eligibility an If you answered "No" to either line 6a or line 6b, the plan canno If the plan is a defined benefit plan, is it covered under the PBGC inst	t use For	m 5500-SF and must ins	stead	use l	Form	5500.			determined
_	rt III Financial Information				, .					
<u>際に</u> 4 7	Plan Assets and Liabilities		(a) Beginning o	f Yea	r			(b) End	of Year	
<u>′</u>	Total plan assets	7a		75,9		-		(,		,503
	Total plan liabilities	7b	-	,.						,
	Net plan assets (subtract line 7b from line 7a)	7c	47	75,9	37				433	,503
	Income, Expenses, and Transfers for this Plan Year		(a) Amount			(b) Total				·
а	Contributions received or receivable from:	0-(4)								
	(1) Employers	8a(1)		10,5	75	li sas				
	(2) Participants	8a(2)		,.						وي المقطعة المانية. المراجعة
b	(3) Others (including rollovers) Other income (loss)	8a(3) 8b	(!	5,75	3)	- <b>1</b> . 3. 1				
	Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c					n di pana dan L	taanaa da attaa		,822
d	Benefits paid (including direct rollovers and insurance premiums		Giller i Waldellanden beren er							
	to provide benefits)	8d	4	11,2	60	_				
	Certain deemed and/or corrective distributions (see instructions)	8e		5,9	96					ىلىيەركىپ يىلىپ بەر يە
<u>f</u>	Administrative service providers (salaries, fees, commissions)	8f 8a		5,9	90					ید میکند. مد
	Other expenses Total expenses (add lines 8d, 8e, 8f, and 8g)	8g 8h							47	,256
	Net income (loss) (subtract line 8h from line 8c)	8i								434)
i	Transfers to (from) the plan (see instructions)	8j	Hanning Courses and Anna Courses and Anna Anna Anna Anna Anna Anna Anna		() - · · · ·					
Pa	rt IV Plan Characteristics	L	L							2 - 10 - 19 - 10 - 10 - 10 - 10 - 10 - 10
	3D 2E 2F 2G 2J 2K If the plan provides welfare benefits, enter the applicable welfare fea	iture code	s from the List of Plan Ch	aract	eristic	: Cod	es in the	instructio	ons:	
Pa	rt V. Compliance Questions									. <u> </u>
<u>10</u>	During the plan year:				Yes	No	ISWAS		Amount	
а	Was there a failure to transmit to the plan any participant contribut		•							
	described in 29 CFR 2510.3-102? (See instructions and DOL's Vo Program)	iuntary Pic	buciary Correction	10a		x				
b	Were there any nonexempt transactions with any party-in-interest? reported on line 10a.)			10a		x	C Incardia			
С	Was the plan covered by a fidelity bond?			10c	x					50,000
d	Did the plan have a loss, whether or not reimbursed by the plan's	2		10d		x				
e	Were any fees or commissions paid to any brokers, agents, or oth carrier, insurance service, or other organization that provides some the plan? (See instructions.)	e or all of	the benefits under	10e	x					3,114
f	Has the plan failed to provide any benefit when due under the plan			10f		x				<u> </u>
						x	a mini			
<u> </u>	Did the plan have any participant loans? (If "Yes," enter amount as If this is an individual account plan, was there a blackout period? (	· ·	,	10g		<u>^</u>	. Barren ar			
	2520.101-3.)			10h		x				ale e de la company. Maria de la company
i	If 10h was answered "Yes," check the box if you either provided th exceptions to providing the notice applied under 29 CFR 2520.101							n an	n an	
j	Did the plan trust incur unrelated business taxable income?			10j		x				
Pa	t Vi Pension Funding Compliance								1	
11	Is this a defined benefit plan subject to minimum funding requirem 5500) and line 11a below)									s X No
11;	a Enter the unpaid minimum required contribution for current year from	om Sched	ule SB (Form 5500) line 4	0			11a			
12	Is this a defined contribution plan subject to the minimum funding r	requireme	nts of section 412 of the (	Code	or se	ction	302 of E	RISA?		s X No

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	Form 5500-SF 2015 Page 3-						
	(If "Yes," complete line 12a or lines 12b, 12c, 12d, and 12e below, as applicable.)						
	a If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructior granting the waiver. Month	ns, and	enter th	ne date of Yea	the letter ar	ruling	
lf	you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.	<u> </u>					
b	Enter the minimum required contribution for this plan year		12b				
с	Enter the amount contributed by the employer to the plan for this plan year		12c				
d	Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of a negative amount)		12d				
е	Will the minimum funding amount reported on line 12d be met by the funding deadline?	••••••	🗖	Yes 🗌	] No [	] N/A	
Par	tVII Plan Terminations and Transfers of Assets						
13a				es X N			
100	If "Yes," enter the amount of any plan assets that reverted to the employer this year		13a			*	
b	Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought unde	r the co			☐ Yes	XNo	
c	of the PBGC? If during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the pla		)	LL			
	which assets or liabilities were transferred. (See instructions.)  13c(1) Name of plan(s):	120	(2) EIN(	(e)	13c(3)	PN(s)	
		130		3)	130(3)	FIN(5)	
Par	tVIII Trust Information				i		
14a	Name of trust		<b>14b</b> Ti	4b Trust's EIN			
140	Name of trustee or custodian		14d Trustee or custodian's telephone number				
Pai	t IX IRS Compliance Questions	i					
15a	Is the plan a 401(k) plan:		Yes	-	No No		
15k	<b>b</b> If "Yes," how does the 401(k) plan satisfy the nondiscrimination requirements for employee deferrals and employ matching contributions (as applicable) under sections 401(k)(3) and 401(m)(2)?		Design- based safe ADP/ACP harbor test method			ACP	
150	If ADP/ACP test, did the 401(k) plan perform ADP/ACP testing for the plan year using the "current year testing method" for nonhighly compensated employees (Treas. Reg. section 1.401(k)-2(a)(2)(ii) and 1.401(m)- 2(a)(2)(ii))?		Yes	5	🗌 No		
	Check the box to indicate the method used by the plan to satisfy the coverage requirements under section 410(b	ı):	Rat Per Tes	centage	Avera Bene	ige fit Test	
16k	Does the plan satisfy the coverage and nondiscrimination tests of sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules?			8	No No		
	Has the Plan been timely amended for all required law changes?	l.	Yes		No No	□ N/A	
	instructions for tax law changes and codes).			able code			
170	If the plan sponsor is an adopter of a pre-approved master, prototype (M&P), or volume submitter plan that is sul advisory letter, enter the date of that favorable letter / / /	oject to	o a favor	able IRS	opinion or		
	If the plan is an individually-designed plan and recieved a favorable determination letter from IRS, please enter t determination letter / / /		e of plan	n's last fav	orable		
18	Is the Plan maintained in a U.S. territory (i.e., Puerto Rico (if no election under ERISA section 1022(i)(2) has beer made), American Samoa, Guam, the Commonwealth of the Northern Mariana Islands or the U.S. Virgin Islands)'	1 ?	🗌 Yes	6	🗌 No		
19	Were in-service distributions made during the plan year?		Yes	3	🗌 No		
	If Yes, enter amount		19				
20	Were minimum required distributions made to 5% owners who have attained age 70 ½ (regardless of whether or not retired) as required under section 401(a)(9)?		Yes	3	🗌 No	□ N/A	