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

2015

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2015 or fiscal plan year beginning 07/01/2015 and ending 06/30/2016

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
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

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

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

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

Part II Basic Plan Information—enter all requested information

1a Name of plan
AIRBORN, INC. 401(K) SAVINGS AND EMPLOYEE STOCK OWNERSHIP PLAN

1b Three-digit plan number (PN) ▶ 002

1c Effective date of plan 07/01/1996

2a Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)
AIRBORN, INC.

3500 AIRBORN CIRCLE
GEORGETOWN, TX 78626

2b Employer Identification Number (EIN)
75-1015515

2c Plan Sponsor's telephone number
972-931-3200

2d Business code (see instructions)
335900

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.	05/25/2017	ROBERT MCGAHAN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Preparer's telephone number

3a	Plan administrator's name and address [X] Same as Plan Sponsor	**3b**	Administrator's EIN
		3c	Administrator's telephone number
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:	**4b**	EIN
a	Sponsor's name	**4c**	PN

5	Total number of participants at the beginning of the plan year	**5**	1206
6	Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**).		
a(1)	Total number of active participants at the beginning of the plan year	**6a(1)**	1016
a(2)	Total number of active participants at the end of the plan year	**6a(2)**	1095
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	259
d	Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	1354
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	9
f	Total. Add lines **6d** and **6e**.	**6f**	1363
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	1035
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	28
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

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

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)		**9b** Plan benefit arrangement (check all that apply)	
(1)	[ ] Insurance	**(1)**	[ ] Insurance
(2)	[ ] Code section 412(e)(3) insurance contracts	**(2)**	[ ] Code section 412(e)(3) insurance contracts
(3)	[X] Trust	**(3)**	[X] Trust
(4)	[ ] General assets of the sponsor	**(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) [X] **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) [X] **H** (Financial Information)

(2) [ ] **I** (Financial Information – Small Plan)

(3) [ ] ___ **A** (Insurance Information)

(4) [X] **C** (Service Provider Information)

(5) [X] **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 2015 Form M-1 annual report. If the plan was not required to file the 2015 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)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2015** **This Form is Open to Public Inspection.**

For calendar plan year 2015 or fiscal plan year beginning 07/01/2015 and ending 06/30/2016

A Name of plan
AIRBORN, INC. 401(K) SAVINGS AND EMPLOYEE STOCK OWNERSHIP PLAN

B Three-digit plan number (PN) ▶ 002

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

D Employer Identification Number (EIN)
75-1015515

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

CHARLES SCHWAB INVESTMENT MGMT INC.

94-3106735

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

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

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)

MILLIMAN, INC.

91-0675641

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 17 36 37 38 50 59 64 70	NONE	136540	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

CHARLES SCHWAB BANK

42-1558009

(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?
19 25 59 62	NONE	0	Yes [X] No [ ]	Yes [X] No [ ]	12132	Yes [ ] No [X]

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

CHARLES SCHWAB & CO., INC.

94-1737782

(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?
19 25 59 62	NONE	0	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [X] 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
CHARLES SCHWAB & CO., INC.	19 25 59 62	

(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.
AMERICAN BEACON 75-2401150	RANGE OF 0.00 - 0.02% OF AVERAGE DAILY BALANCES OF ASSETS

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
CHARLES SCHWAB & CO., INC.	19 25 59 62	

(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.
BLACKROCK 04-6171663	RANGE OF 0.00 - 0.02% OF AVERAGE DAILY BALANCES OF ASSETS

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
CHARLES SCHWAB & CO., INC.	19 25 59 62	

(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.
DODGE & COX 94-1771976	RANGE OF 0.00 - 0.02% OF AVERAGE DAILY BALANCES OF ASSETS

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
CHARLES SCHWAB & CO., INC.	19 25 59 62	

(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.
JANUS 43-1804048	RANGE OF 0.00 - 0.02% OF AVERAGE DAILY BALANCES OF ASSETS

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
CHARLES SCHWAB & CO., INC.	19 25 59 62	

(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.
JP MORGAN 13-2624428	RANGE OF 0.00 - 0.02% OF AVERAGE DAILY BALANCES OF ASSETS

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
CHARLES SCHWAB BANK	19 25 59 62	3687

(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.
AMERICAN BEACON 75-2401150	RANGE OF 0.00 - 0.02% OF AVERAGE DAILY BALANCES OF ASSETS.

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
CHARLES SCHWAB BANK	19 25 59 62	1763

(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.
BLACKROCK 04-6171663	RANGE OF 0.00 - 0.02% OF AVERAGE DAILY BALANCES OF ASSETS.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
CHARLES SCHWAB BANK	19 25 59 62	3789

(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.
JANUS 43-1804048	RANGE OF 0.00 - 0.02% OF AVERAGE DAILY BALANCES OF ASSETS.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
CHARLES SCHWAB BANK	19 25 59 62	1622

(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.
JP MORGAN 13-2624428	RANGE OF 0.00 - 0.02% OF AVERAGE DAILY BALANCES OF ASSETS.

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

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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 D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan 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

2015

This Form is Open to Public Inspection.

For calendar plan year 2015 or fiscal plan year beginning 07/01/2015 and ending 06/30/2016

A Name of plan
AIRBORN, INC. 401(K) SAVINGS AND EMPLOYEE STOCK OWNERSHIP PLAN

B Three-digit plan number (PN) ▶ 002

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
AIRBORN, INC.

D Employer Identification Number (EIN)
75-1015515

Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)

(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: GARTMORE MORLEY INST'L INVESTORS

b Name of sponsor of entity listed in (a): GARTMORE TRUST COMPANY

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
93-6274329-001	C	3750105

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
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a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

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

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

OMB No. 1210-0110

2015

This Form is Open to Public Inspection

For calendar plan year 2015 or fiscal plan year beginning 07/01/2015 and ending 06/30/2016

A Name of plan
AIRBORN, INC. 401(K) SAVINGS AND EMPLOYEE STOCK OWNERSHIP PLAN

B Three-digit plan number (PN) ▶ 002

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

D Employer Identification Number (EIN)
75-1015515

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	2272	1853
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	2335993	1579290
(2) Participant contributions	1b(2)		37795
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	1117828	1141988
(9) Value of interest in common/collective trusts	1c(9)	4013858	3750105
(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)	23152051	23683969
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)	10258745	6415007
	(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	40880747	36610007
	Liabilities			
g	Benefit claims payable	1g		358457
h	Operating payables	1h		
i	Acquisition indebtedness	1i	268693	10367
j	Other liabilities	1j	3097062	1271462
k	Total liabilities (add all amounts in lines 1g through1j)	1k	3365755	1640286
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	37514992	34969721

Part II Income and Expense Statement

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

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	2135169	
	(B) Participants	2a(1)(B)	1862547	
	(C) Others (including rollovers)	2a(1)(C)	231435	
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		4229151
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)	59325	
	(E) Participant loans	2b(1)(E)		
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		59325
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	912426	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		912426
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)	-3841990	
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		-3841990

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		58631
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		-1020608
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		396935
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	2794891	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		2794891
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		10367
i Administrative expenses: **(1)** Professional fees	2i(1)	136948	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		136948
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		2942206
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		-2545271
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

(1) Name: CORNWELL JACKSON, PLLC **(2)** EIN: 27-4461251

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

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

Part IV Compliance Questions

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

During the plan year:

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

		Yes	No	N/A	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X		
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X		
e	Was this plan covered by a fidelity bond?	4e	X			1000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X		
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X		
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X		
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X			
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X		
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X		
l	Has the plan failed to provide any benefit when due under the plan?	4l		X		
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X		
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n				
o	Did the plan trust incur unrelated business taxable income?	4o				
p	Were in-service distributions made during the plan year?	4p				

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

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

6c Name of trustee or custodian	**6d** Trustee's or custodian's telephone number

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

2015

This Form is Open to Public Inspection.

For calendar plan year 2015 or fiscal plan year beginning 07/01/2015 and ending 06/30/2016

A Name of plan
AIRBORN, INC. 401(K) SAVINGS AND EMPLOYEE STOCK OWNERSHIP PLAN

B Three-digit plan number (PN) ▶ 002

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

D Employer Identification Number (EIN)
75-1015515

Part I Distributions

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

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

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

EIN(s): 42-1558009

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

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

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

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

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

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

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

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

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

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

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

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

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

Part III Amendments

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

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

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

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

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

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

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

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

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

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

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

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

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

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

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

a Enter the percentage of plan assets held as:
Stock: _____% 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):

Part VII IRS Compliance Questions

20a Is the plan a 401(k) plan?	☐ Yes	☐ No
20b If "Yes," how does the 401(k) plan satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under sections 401(k)(3) and 401(m)(2)?	☐ Design-based safe harbor method	☐ ADP/ACP test
20c If the ADP/ACP test is used, 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 sections 1.401(k)-2(a)(2)(ii) and 1.401(m)-2(a)(2)(ii))?	☐ Yes	☐ No
21a Check the box to indicate the method used by the plan to satisfy the coverage requirements under section 410(b):	☐ Ratio percentage test	☐ Average benefit test
21b 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?	☐ Yes	☐ No
22a Has the plan been timely amended for all required tax law changes?	☐ Yes	☐ No ☐ N/A

22b Date the last plan amendment/restatement for the required tax law changes was adopted ____/____/____. Enter the applicable code _____ (See instructions for tax law changes and codes).

22c If the plan sponsor is an adopter of a pre-approved master and prototype (M&P) or volume submitter plan that is subject to a favorable IRS opinion or advisory letter, enter the date of that favorable letter _____/_____/_____ and the letter's serial number _____.

22d If the plan is an individually-designed plan and received a favorable determination letter from the IRS, enter the date of the plan's last favorable determination letter _____/_____/_____.

23 Is the Plan maintained in a U.S. territory (i.e., Puerto Rico (if no election under ERISA section 1022(i)(2) has been made), American Samoa, Guam, the Commonwealth of the Northern Mariana Islands or the U.S. Virgin Islands)?	☐ Yes	☐ No

Financial Statements and Supplemental Schedule
AirBorn, Inc. 401(k) Savings and Employee Stock Ownership Plan
For the Years Ended June 30, 2016 and 2015

AirBorn, Inc. 401(k) Savings and Employee Stock Ownership Plan

Financial Statements and Supplemental Schedule

For the Years Ended June 30, 2016 and 2015

Table of Contents

Report of Independent Auditors 3

Financial Statements:

Statements of Net Assets Available for Benefits 5

Statement of Changes in Net Assets Available for Benefits 6

Notes to Financial Statements 7

Supplemental Schedule:

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)* 21

*All other schedules required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable or the required information is shown in the financial statements or notes thereto.

CORNWELL JACKSON
CERTIFIED PUBLIC ACCOUNTANTS

Report of Independent Auditors

To the Plan Administrator and Participants,
AirBorn, Inc. 401(k) Savings and Employee Stock Ownership Plan

Report on the Financial Statements

We have audited the accompanying financial statements of the AirBorn, Inc. 401(k) Savings and Employee Stock Ownership Plan, which comprise the statements of net assets available for benefits as of June 30, 2016 and 2015, and the related statement of changes in net assets available for benefits for the year ended June 30, 2016, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 the AirBorn, Inc. 401(k) Savings and Employee Stock Ownership Plan as of June 30, 2016 and 2015, and the changes in net assets available for benefits for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule, which is composed of the Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of June 30, 2016, referred to as "supplemental information," is presented for the purpose of additional analysis and is not a required part of the financial statements but is 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 audits 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.

Cornwell Jackson, PLLC

Plano, TX
May 11, 2017

Statements of Net Assets Available for Benefits
As of June 30, 2016 and 2015

	2016			2015		
	Unallocated	**Allocated**	**Total**	Unallocated	Allocated	Total
Assets:						
Non-interest-bearing cash	**$ -**	**$ 1,853**	**$ 1,853**	$ -	$ 2,272	$ 2,272
Investments, at fair value:						
Common collective trust	**-**	**3,750,105**	**3,750,105**	-	4,013,858	4,013,858
Mutual funds	**-**	**23,683,969**	**23,683,969**	-	23,152,051	23,152,051
AirBorn, Inc. common stock	**-**	**6,415,007**	**6,415,007**	782,495	9,476,250	10,258,745
Total investments	**-**	**33,849,081**	**33,849,081**	782,495	36,642,159	37,424,654
Receivables:						
Employer ESOP contributions	**468,914**	**1,099,195**	**1,568,109**	2,335,993	-	2,335,993
Employer contributions	**-**	**11,181**	**11,181**	-	-	-
Employee contributions	**-**	**37,795**	**37,795**	-	-	-
Notes receivable from participants	**-**	**1,141,988**	**1,141,988**	-	1,117,828	1,117,828
Total receivables	**468,914**	**2,290,159**	**2,759,073**	2,335,993	1,117,828	3,453,821
Total assets	**468,914**	**36,141,093**	**36,610,007**	3,118,488	37,762,259	40,880,747
Liabilities:						
Excess Contribution Payable	**-**	**45,832**	**45,832**	-	-	-
Benefits Payable	**-**	**312,625**	**312,625**	-	-	-
Note Payable - AirBorn, Inc.	**1,271,462**	**-**	**1,271,462**	3,097,062	-	3,097,062
Interest Payable - AirBorn, Inc.	**10,367**	**-**	**10,367**	268,693	-	268,693
Total liabilities	**1,281,829**	**358,457**	**1,640,286**	3,365,755	-	3,365,755
Net assets (liabilities) available for plan benefits	**$ (812,915)**	**$ 35,782,636**	**$ 34,969,721**	$ (247,267)	$ 37,762,259	$ 37,514,992

Statement of Changes in Net Assets Available for Benefits
For the Year Ended June 30, 2016

	2016		
	Unallocated	**Allocated**	**Total**
Additions:			
Investment Income (Loss):			
Interest income on notes receivable from participants	**$ -**	**$ 59,325**	**$ 59,325**
Dividend and other income (expense)	**(238,725)**	**1,151,151**	**912,426**
Net depreciation in fair value of mutual funds	**-**	**(1,020,607)**	**(1,020,607)**
Net appreciation in fair value of collective investment trust	**-**	**58,631**	**58,631**
Net depreciation in fair value of common stock	**(316,556)**	**(3,525,435)**	**(3,841,991)**
Total investment loss	**(555,281)**	**(3,276,935)**	**(3,832,216)**
Contributions:			
Employee contributions	**-**	**1,862,547**	**1,862,547**
Rollover contributions	**-**	**231,435**	**231,435**
Employer matching contributions	**-**	**567,061**	**567,061**
Allocation of 3,973 shares of AirBorn, Inc. common stock	**-**	**468,914**	**468,914**
Employer ESOP contributions	**468,914**	**1,099,194**	**1,568,108**
Total contributions	**468,914**	**4,229,151**	**4,698,065**
Total additions (subtractions)	**(86,367)**	**952,216**	**865,849**
Deductions:			
Benefits paid to participants	**-**	**2,794,891**	**2,794,891**
Interest expense	**10,367**	**-**	**10,367**
Administrative expenses	**-**	**136,948**	**136,948**
Allocation of 3,973 shares of AirBorn, Inc. common stock	**468,914**	**-**	**468,914**
Total deductions	**479,281**	**2,931,839**	**3,411,120**
Net decrease	**(565,648)**	**(1,979,623)**	**(2,545,271)**
Net assets available for benefits:			
Beginning of year	**(247,267)**	**37,762,259**	**37,514,992**
End of year	**$ (812,915)**	**$ 35,782,636**	**$ 34,969,721**

NOTES TO FINANCIAL STATEMENTS
June 30, 2016 and 2015

1. Description of Plan

General
The AirBorn, Inc. 401(k) Savings and Employee Stock Ownership Plan (the Plan) provides retirement, death, and disability benefits for eligible participant employees and their beneficiaries while also allowing them to share in the growth in value of AirBorn, Inc. (the Company/Employer) common stock. The Plan is a defined contribution, deferred compensation, 401(k) and Employee Stock Ownership Plan (ESOP) under Sections 401(k) and 501(a) of the Internal Revenue Code of 1986 (IRC). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan was most recently amended and restated effective July 1, 2015 to incorporate prior amendments and bring the Plan into compliance with other legislative and regulatory changes. Participants should refer to the plan agreement for complete information.

The Plan purchased Company common shares using proceeds from a loan from the Company (refer to Note 10), and holds the stock in a trust established under the Plan. The borrowing is to be repaid over a period of 30 years by fully deductible Company contributions to the trust fund. As the Plan makes each payment of principal, an appropriate percentage of stock will be allocated to eligible employees' accounts in accordance with applicable regulations under the IRC. Shares vest fully upon allocation.

The borrowing is collateralized by the unallocated shares of stock and is guaranteed by the Company. The Company has no rights against shares once they are allocated under the Plan. The information presented in Note 7 discloses the shares of Company common stock earned and allocated to participant accounts, and the shares of company common stock that collateralize the borrowing and are unallocated.

Administration
The Plan's 401(k) assets are held by Charles Schwab Bank ("Custodian"). Funds held by the Custodian are invested in a combination of equity and fixed income mutual funds. The Plan is participant directed for participant voluntary contributions, matching contributions, and earnings on those contributions.

Eligibility
All employees are enrolled in the Plan upon the initial date of hire and eligible to participate in employee contributions. All employees who have completed one year of service are eligible to participate in Employer matching 401(k) and discretionary ESOP contributions at the first Plan entry date thereafter (as defined in the plan agreement).

Voting Rights
Each participant is entitled to exercise voting rights attributable to the shares allocated to his or her account and is notified by the ESOP trustee prior to the time that such rights are to be exercised. The ESOP trustee is not permitted to vote any allocated share for which instructions have not been given by a participant. The ESOP trustee is required, however, to vote any unallocated shares on behalf of the collective best interest of plan participants and beneficiaries.

1. Description of Plan (continued)

Contributions
Participants may contribute, into the 401(k) Plan, up to 70% of their basic compensation (as defined in the plan agreement), subject to certain limitations, with the contributions and earnings thereon being nontaxable until withdrawn from the Plan. The Company may make discretionary matching contributions. The match is invested in various investment options as directed by the participant. The Company made matching contributions of $567,061 and $413,134 for the Plan year ended June 30, 2016, and 2015, respectively.

The Company may also make discretionary 401(k) profit sharing and/or ESOP contributions to each active participant's account in an amount determined by the Company. Discretionary Company contributions, if approved by the board of directors, are based on a pay formula defined in the plan agreement. For the Plan year ended June 30, 2016, and 2015, the Company made discretionary non-cash ESOP contributions of $468,914 and $2,067,299, respectively.

Effective on April 25, 2014, the Plan entered into a Contribution Agreement ("Agreement"), whereby the Company agrees to, no less frequently than once every three (3) years beginning on or before December 1, 2017 and each third anniversary thereafter, to issue and sell to the ESOP for the benefit of active employees of the Company shares of the Company's common stock, par value $0.20 per share in the manner pursuant in the Agreement. To the extent the Company does not issue and sell to the ESOP pursuant to the preceding provision, the Company agrees that it will contribute Common Stock in kind to the ESOP (recycled shares), in the manner pursuant in the Agreement. The Company made non-cash ESOP contributions of recycled shares of $1,099,194 and $2,429,655 during the year ended June 30, 2016 and 2015, respectively.

Vesting
Participants are fully vested in their voluntary contributions and related earnings. All Company contributions to the Plan, as well as all earnings on those contributions, vest according to the following schedule:

Years of Service	Vested Percentage
Less than 2	0%
2	20%
3	40%
4	60%
5	80%
6 or more	100%

Upon a participant's termination from the Plan, only the amount in which the participant is vested is distributed to the participant and is subject to any applicable tax reporting requirements. Upon death, full and permanent disability, or attainment of normal retirement age, a participant becomes 100% vested in his or her account balance.

1. Description of Plan (continued)

Put Option
Under federal income tax regulations, the Company stock that is held by the Plan and its participants and is not readily tradable on an established market, or is subject to trading limitations, includes a put option. The put option is a right to demand that the Company buy any shares of its stock for which there is no market. The put price is based on a fair valuation formula, which is representative of the fair value of the stock. The Company can pay for the purchase with interest over a period of five years. The purpose of the put option is to ensure that the participant has the ability to ultimately obtain cash.

Retirements and Terminations
In the case of normal retirement (age 65), early retirement (age 55 and 6 years of service), retirement due to full and permanent disability, or termination of employment, participants may elect to receive the value of their accumulated plan benefits, in accordance with the provisions of the Plan, in a lump-sum distribution.

In the event that a participant dies before retirement, the participant's beneficiary will receive the value of the participant's accumulated plan benefits in a lump-sum distribution or in an alternative manner mutually agreed upon by the beneficiary and the plan administrator.

Notes Receivable from Participants
Participants may take 401(k) loans up to the lesser of: (a) one-half of the respective participant's vested 401(k) Accounts, or (b) $50,000, reduced by their highest loan balance of the sum of all of the respective participant's loans from the Plan during the one year period ending on the day before the loan is funded. The 401(k) loan may not be less than $500. Interest and principal payments will be credited to the borrower's account. The repayment period for participant 401(k) loans cannot exceed five years unless the proceeds are used to acquire, construct, or rehabilitate a dwelling unit that is used for the participant's personal residence. In that case, the period of repayment can be extended up to 10 years. The notes bear interest at a rate commensurate with local prevailing interest rates as determined by the plan administrator.

Funding Policy
The Plan is funded by employee contributions, voluntary discretionary contributions from the Company, and by investment income. The Company's contributions can be made either in the form of cash or its common stock to the Plan's trust. The Plan may invest employer cash contributions in the Company's common stock.

1. Description of Plan (continued)

Diversification of Company Shares
A Diversification Election right is offered to participants near retirement so that they may have the opportunity to diversify a portion of their investment in Company stock into other investments. Participants who are 55 years of age with 10 years of participation in the Plan may elect to diversify a portion of their ESOP account. Diversification is offered to each eligible participant over a six-year period. In each of the first five years, a participant may diversify up to 25% of the number allocated shares to his or her account, less any shares previously diversified. In the sixth and final year, the percentage changes to 50%.

Participants who elect to diversify receive a cash distribution and may then either (a) reinvest the cash in one of the funds selected by the Plan Committee for investment of the participants' 401(k) accounts or (b) receive a cash distribution equal to the value of the shares the participants sold to the Plan.

Distributions
Upon termination of service due to death, disability, or retirement, a participant becomes 100% vested in their account and is entitled to receive the vested account balance in a lump-sum distribution. Cash distributions are made to participants following the end of the Plan year in which they terminate or are entitled to receive a distribution of benefits.

Forfeitures
Forfeitures (the nonvested portion of a participant's account) are created when a participant's employment terminates before becoming fully vested under the Plan. Forfeitures will be used for the benefit of other participants of the Plan or be used to reduce employer contributions. The balance of forfeited non-vested accounts was $40,591 and $34,325, as of June 30, 2016, and 2015, respectively. During the Plan year ended June 30, 2016, and 2015, participants forfeited $6,320 and $45,620 in non-vested accounts, respectively. During the Plan year ended June 30 2016, and 2015, forfeitures utilized were $99 and $90,790, respectively.

Risks and Uncertainties
The Plan provides for various investment options of registered investment companies. The underlying investments held by the registered investment companies may include stocks, bonds, fixed income securities, mutual funds and other investment securities. Such investments are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities in the near term could materially affect participant account balances and the amounts reported in the statement of net assets available for benefits.

2. Summary of Significant Accounting Policies

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

2. Summary of Significant Accounting Policies (continued)

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 assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions during the reporting period. Actual results could differ from those estimates.

Investment Valuation and Income Recognition
Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants at the measurement date. The board of directors determines the Plan's valuation policies utilizing information provided by the investment advisors and the trustee. Refer to Note 3 for a discussion of fair value measurements.

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

Notes Receivable from Participants
Notes receivable from participants represent loans and are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recognized on the accrual basis. No allowance for credit losses has been recorded as of June 30, 2016 and 2015. If a participant ceases to make loan repayments and the Plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

Excess Contributions Payable
Amounts payable to participants for contributions in excess of amounts allowed by the IRS are recorded as a liability with a corresponding reduction to contributions.

Valuation of AirBorn, Inc. Stock
The Company's common stock is not traded on an open market. The Company's common stock is valued by an independent appraiser on an annual basis. Distributions to eligible participants are based on the latest available stock valuation. The carrying value of the Plan's investment in common stock is also adjusted to reflect fair value, as determined by the annual appraisal.

Payment of Benefits
Benefits are recorded when paid.

Administrative Expenses
The Company pays certain administrative expenses incurred by the Plan. Certain investment and administration fees are deducted directly from participant's investment returns. Transaction costs borne by the Plan are charged to the individual participant who initiated the transaction to which the charge relates by reducing the participant's account balance.

2. Summary of Significant Accounting Policies (continued)

Recently Adopted and New Accounting Pronouncements

In May 2015, the Financial Accounting Standards Board ("FASB") issued ASU 2015-07, *Fair Value Measurement (Topic 820): 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 practical expedient provided by Accounting Standards Codification 820, *Fair Value Measurement*. Disclosures about investments in certain entities that calculate net asset value per share are limited under ASU 2015-07 to those investments for which the entity has elected to estimate the fair value using the net asset value practical expedient. The amendments in ASU 2015-07 are effective for interim and annual periods beginning after December 31, 2016. The amendment is required to be applied retrospectively and early adoption is permitted. The Plan has elected to adopt the ASU for the year June 30, 2015. Other than the change to disclosures, the adoption of this standard did not have a material impact on the financial statements.

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*. The ASU simplifies the required disclosures related to employee benefit plans. Part I eliminates the requirement to measure and disclose the fair value of fully benefit-responsive contracts, including common collective trust assets. Contract value is the only required measure for fully benefit-responsive investment contracts. Part II eliminates the requirement to disclose individual investments which comprise 5% or more of total net assets available for benefits, as well as the net appreciation or depreciation of fair values by type. Part II also requires plans to continue to disaggregate investments that are measured using fair value by general type; however plans are no longer required to also disaggregate investments by nature, characteristics and risks. Furthermore, the disclosure of information about fair value measurements shall be provided by general type of plan asset. Part III is not applicable to the Plan. ASU 2015-12 is effective for all entities for fiscal years beginning after December 15, 2015 with early adoption permitted. Other than the change to disclosures, the adoption of this standard did not have a material impact on the financial statements.

3. Fair Value Measurements

Fair value is determined based on the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants. The fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value, which 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) is described below:

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

Level 2 — Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

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

The asset 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.

The following is a description of the valuation methodologies used for assets measured at fair value.

Cash: Cash includes all cash balances and highly liquid investments with an initial maturity of three months or less and are stated at cost which approximates market value.

Mutual funds: Quoted market prices are used to value investments in mutual funds, which are publicly traded funds of registered investment companies, and common stock.

3. Fair Value Measurements (continued)

Collective investment trust: Valued at the net asset value of units of a common collective trust. The net asset value as provided by the Custodian is used as a practical expedient to estimate fair value. The net asset value is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different that the reported net asset value. Participant transactions (purchased and sales) may occur daily. Were the Plan to initiate a full redemption of the collective trust, the investment advisor reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

AirBorn, Inc. common stock: The Company's common stock is not traded on an open market. Annually, the Company's common stock is valued by an independent appraiser using both the market and income (discounted net cash flow) approach.

The market approach is a valuation technique in which the value is estimated based on market prices of actual transactions and on asking prices for currently available assets. The process is essentially that of comparison and correlation between the Company and other similar companies. The value of the Company's common stock is expressed as a function of its earnings or cash-generating capacity, which is then multiplied or capitalized at an appropriate risk-adjusted rate. A ratio, or multiple, is developed by dividing the market price of the stock by an earnings figure, such as net income. Any number of ratios can be calculated. The reciprocal of a multiple or ratio is known as a capitalization rate. These ratios are then adjusted to suit the Company's specific circumstances in arriving at a value for the Company. A marketability discount is applied as part of the valuation due to the closely-held nature of the Company stock.

The income approach is a valuation technique in which the value is derived by forecasting net cash flow in the future and discounting to present value the annual cash flows. Net cash flow is the cash amount that could be paid to owners without impairing the Company's operations: it is the dividend paying capacity. It is defined as net income plus depreciation (a non-cash expense) less capital expenditures less changes in net working capital plus changes in financing. Changes in working capital are usually a use of cash but can be a source of cash. The "debt-free" version of the income approach excludes changes in cash flow due to financing. The resulting value is for total capital. The annual net cash flows are discounted to present value and summed, resulting in an indication of value. Usually the forecast covers a limited number of years, but the business is expected to continue operating after the last year in the projection. The value of the operations after the last year in the projection is determined by capitalizing into a terminal value the last year's cash flow or some other earnings measure. The appropriate discount rate reflects the general level of interest rates and a premium for the perceived degree of risk. Risk can be segregated into financial and business risk. Financial risk refers to the possibility of bankruptcy and the variability of the returns to equity investors due to the amount of debt. Business risk refers to the variability of earnings from the Company's operations. The discounted debt-free net cash flow approach was used in appraising the Company's common stock.

3. Fair Value Measurements (continued)

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of June 30, 2016:

	Level 1	Level 2	Level 3	Total
Mutual Funds	$ 23,683,969	$ -	$ -	$ 23,683,969
AirBorn, Inc. common stock	-	-	6,415,007	6,415,007
Total assets in fair value hierarchy	23,683,969	-	6,415,007	30,098,976
Investments measured at net asset value (a)	-	3,750,105	-	3,750,105
Total investments at fair value	$ 23,683,969	$ 3,750,105	$ 6,415,007	$ 33,849,081

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of June 30, 2015:

	Level 1	Level 2	Level 3	Total
Mutual Funds	$ 23,152,051	$ -	$ -	$ 23,152,051
AirBorn, Inc. common stock	-	-	10,258,745	10,258,745
Total assets in fair value hierarchy	23,152,051	-	10,258,745	33,410,796
Investments measured at net asset value (a)	-	4,013,858	-	4,013,858
Total investments at fair value	$ 23,152,051	$ 4,013,858	$ 10,258,745	$ 37,424,654

(a) In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amount presented in the table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statement of net assets available for benefits.

The table below sets forth a summary of changes in the fair value of the Plan's level 3 assets for the year ended June 30, 2016:

	AirBorn, Inc. common stock
Balance, beginning of the year	$ 10,258,745
Losses	(3,841,991)
Net distributions	(4,721)
Other income	2,974
Net assets available for benefits per financial statements	$ 6,415,007

3. Fair Value Measurements (continued)

The table below sets forth a summary of changes in the fair value of the Plan's level 3 assets for the year ended June 30, 2015:

	AirBorn, Inc. common stock
Balance, beginning of the year	$ 32,789,802
Losses	(17,081,470)
Net distributions	(7,879,242)
Contribution of 4,633 recycled shares	2,429,655
Net assets available for benefits per financial statements	$ 10,258,745

The following table summarizes investments for which fair value is measured using the net asset value per share practical expedient. There are no participant redemption restrictions for these investments; the redemption notice period is applicable only to the Plan.

As of June 30, 2016:

Investment	Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Collective Investment Trust	$3,750,105	N/A	Daily	12 months

As of June 30, 2015:

Investment	Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Collective Investment Trust	$4,013,858	N/A	Daily	12 months

4. Related Party and Party-in-Interest Transactions

Certain Plan investments are managed by Charles Schwab Trust Company, therefore, these transactions qualify as party-in-interest transactions. The Plan holds shares of Company stock and makes non-cash loan repayments to the Company, which qualify as related party transactions. The Plan made direct payments to the third party administrator and record keeper totaling $136,948. These costs incurred by the Plan are included in administrative expenses on the statement of changes in net assets available for benefits. The Plan Sponsor pays directly any other fees related to the Plan's operations.

5. Investments in Collective Investment Trust Fund

The Morley Stable Value Fund (the "Fund") is a collective investment trust designed for retirement trusts exempt from federal income tax under Section 501(a) of the Internal Revenue Code of 1986, as amended, and governmental deferred compensation plans. The objective of the Fund is to provide preservation of capital, relatively stable returns consistent with its comparatively low risk profile, and liquidity for benefit-responsive payments. The Fund seeks to achieve this objective by investing primarily in a variety of high quality stable value investment contracts (the performance of which may be predicated on underlying fixed income securities), as well as cash and cash equivalents. It is intended that the Fund's stable value investment contracts will maintain a minimum weighted average credit quality rating of A or better. The underlying fixed income securities must be rated investment grade and meet issuer diversification guidelines. The duration of the Fund will not exceed four years. The Fund is typically appropriate for investors who desire low volatility, stable principal value, and returns commensurate with a capital preservation objective for a component of their retirement savings. The Fund is designed for long term retirement investing. The Fund provides for daily redemptions by the Plan with no advance notice requirements, and has redemption prices that are determined by the fund's net asset value per unit.

6. Plan Termination

The Company has the right, under the plan agreement and the provisions of ERISA, to terminate the Plan, although the Company has no intention to do so. In the event of plan termination, participants' accounts will become fully vested and nonforfeitable. Upon termination of the Plan, the interest of each participant will be distributed to such participant, or designated beneficiary, at the time prescribed by the Plan agreement.

7. Investment in AirBorn, Inc. Common Stock

The Plan had 52,155 and 52,163 shares of the Company common stock as of June 30, 2016 and 2015, respectively. An independent appraiser valued each share at $123 and $197 on June 30, 2016 and 2015, respectively.

As of June 30, 2016 and 2015, the Plan's investment in shares of Company common stock was as follows:

	2016			
	Number of shares	**Cost ($)**	**Unrealized depreciation since inception ($)**	**Fair market value ($)**
Earned – allocated to participants' accounts and available for withdrawal from the Plan	52,155	13,687,050	(7,272,043)	6,415,007

7. Investment in AirBorn, Inc. Common Stock (continued)

	2015			
	Number of shares	**Cost ($)**	**Unrealized appreciation since inception ($)**	**Fair market value ($)**
Leveraged and unallocated to participants' accounts	3,973	1,271,360	(488,865)	782,495
Earned – allocated to participants' accounts and available for withdrawal from the Plan	48,190	15,420,800	(5,944,550)	9,476,250
	52,163	16,692,160	(6,433,415)	10,258,745

At June 30, 2016 and June 30, 2015, the Company held 15,033 and 15,024 shares of the Company ESOP common stock available for recycling.

8. Tax Status

A favorable determination letter was obtained from the Internal Revenue Service, dated December 20, 2016, stating that the Plan, and related trust, as amended, is qualified under Sections 401(k) and 501(a) of the IRC and is exempt from federal income taxes. The Plan administrator believes that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believes that the Plan is qualified, and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require Plan Management to evaluate tax positions taken by the Plan and recognize a tax liability if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by IRS. The Plan is subject to routine audits taken by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan Administrator believes it is no longer subject to income tax examinations for years prior to 2013.

9. Non-Participant-Directed Investments

Information about the net assets and the significant components of the changes in net assets relating to the non-participant directed investments is as follows:

As of June 30,	**2016**	2015
Common stock – AirBorn, Inc.	**6,415,007**	10,258,745
Note payable – AirBorn, Inc.	**(1,271,462)**	(3,097,062)
Interest payable – AirBorn, Inc.	**(10,367)**	(268,693)
Receivable and other	**1,568,109**	2,335,993
Net assets	**$ 6,701,287**	$ 9,228,983

9. Non-Participant-Directed Investments (continued)

For the Year Ended June 30,	**2016**
Net depreciation in fair value of Airborn, Inc. common stock	**$ (3,841,991)**
Company contributions	**1,568,109**
Interest expense	**(10,367)**
Benefits paid to participants	**(4,721)**
Other expense	**(238,725)**
Changes in net assets	**$ (2,527,695)**

10. Note Payable

In 2003, the Plan entered into a $9,850,880 term loan agreement with the Company. The proceeds of the loan were used to purchase the Company's common stock. Unallocated shares are collateral for the loan. The agreement provides for the loan to be repaid in thirty years. The scheduled amortization of the loan of which $1,271,462 remains unpaid at June 30, 2016, for the next five years and thereafter is as follows: 2017 - $1,271,462. The loan bears interest at the rate of 4.65%, compounded annually.

11. Contribution Agreement

In accordance with the Agreement executed by the Company, the Company approved recycling of shares purchased from participants relating to participant distributions from the Plan. The recycling of these shares will result in future contributions of common stock to ESOP participants based on their percentage of eligible earnings. At December 31, 2016, the Company held 16,495 shares available for recycling. At December 31, 2016 the Plan recorded a receivable for 2,914 recycled shares.

12. Delays in Stock Valuation

The Company experienced delays in the valuation of the Airborn, Inc. stock. As a result, required distributions, including that related to annual participant diversification as provided by the Plan document, were not distributed until November 2016. At December 31, 2016, the Plan recorded $312,625 (including accrued interest payable of $4,552) payable to participants.

Supplemental Schedule
AirBorn, Inc. 401(k) Savings and Employee Stock Ownership Plan
As of June 30, 2016

Form 5500, Schedule H Line 4i
Schedule of assets (Held at End of Year)
As of June 30, 2016

EIN: 75-1015515
Plan Number: 002

(a)	(b) Identity of issue, borrower, lender, or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current Value
	Cash and cash equivalents	Non-interest-bearing cash	**	$ 1,853
Collective Investment Trust Fund:				
*	Morley Capital Stable Value Fund	Common investment trust	**	$ 3,750,105
Mutual Funds:				
*	Schwab S&P 500 Index Select Fund	Mutual fund	**	3,760,163
	Dodge & Cox Income Fund	Mutual fund	**	2,700,633
	American Beacon International Equity Fund	Mutual fund	**	2,063,706
	Vanguard Wellington Fund	Mutual fund	**	5,263,196
	JPMorgan Mid Cap Value Select Fund	Mutual fund	**	1,890,423
	Vanguard Small Cap Growth Index Admiral	Mutual fund	**	1,613,718
	Janus Research Fund	Mutual fund	**	2,418,161
	Vanguard Equity Income Admiral SHS	Mutual fund	**	2,269,919
	Blackrock US Opportunities Institutional	Mutual fund	**	1,704,050
				23,683,969
Common Stock:				
*	AirBorn, Inc.	Common stock, par varies; 52,155 shares	13,687,050	6,415,007
Total Investment				**$ 33,849,081**
*	Notes Receivable from Participants	Interest rates at 4.25%	**	1,141,988
				34,992,922

* Represents a party-in-interest, as defined by ERISA.

** The cost of participant-directed investments is not required for disclosure.

Form 5500, Schedule H Line 4i
Schedule of assets (Held at End of Year)
As of June 30, 2016

EIN: 75-1015515
Plan Number: 002

(a)	(b) Identity of issue, borrower, lender, or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current Value
	Cash and cash equivalents	Non-interest-bearing cash	**	$ 1,853
Collective Investment Trust Fund:				
*	Morley Capital Stable Value Fund	Common investment trust	**	$ 3,750,105
Mutual Funds:				
*	Schwab S&P 500 Index Select Fund	Mutual fund	**	3,760,163
	Dodge & Cox Income Fund	Mutual fund	**	2,700,633
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