# 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 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

**2016**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

For calendar plan year 2016 or fiscal plan year beginning 09/01/2016 and ending 02/23/2017

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

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

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

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

## Part II Basic Plan Information—enter all requested information

**1a** Name of plan
EXPRESS MESSENGER SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

**1b** Three-digit plan number (PN) ▶ 002

**1c** Effective date of plan 09/01/2005

**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)
EXPRESS MESSENGER SYSTEMS, INC

2501 S PRICE ROAD
SUITE 201
CHANDLER, AZ 85286

**2b** Employer Identification Number (EIN) 98-0066674

**2c** Plan Sponsor's telephone number 602-333-4480

**2d** Business code (see instructions) 492110

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

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

| | | | |
|---|---|---|---|
| **SIGN HERE** | Filed with authorized/valid electronic signature. | 09/07/2017 | THOMAS FISCHER |
| | **Signature of plan administrator** | Date | Enter name of individual signing as plan administrator |
| **SIGN HERE** | Filed with authorized/valid electronic signature. | 09/07/2017 | THOMAS FISCHER |
| | **Signature of employer/plan sponsor** | Date | Enter name of individual signing as employer or plan sponsor |
| **SIGN HERE** | | | |
| | **Signature of DFE** | Date | Enter name of individual signing as DFE |

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

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** | 1215 |
| **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)** | 938 |
| **a(2)** Total number of active participants at the end of the plan year | **6a(2)** | 0 |
| **b** Retired or separated participants receiving benefits | **6b** | 0 |
| **c** Other retired or separated participants entitled to future benefits | **6c** | 0 |
| **d** Subtotal. Add lines **6a(2)**, **6b**, and **6c**. | **6d** | 0 |
| **e** Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. | **6e** | 0 |
| **f** Total. Add lines **6d** and **6e**. | **6f** | 0 |
| **g** Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | 0 |
| **h** Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 0 |
| **7** Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | **7** | |

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

2I 2O 3I

**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)** [ ] **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 2016 Form M-1 annual report. If the plan was not required to file the 2016 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<br>Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br>▶ **File as an attachment to Form 5500.** | **2016**<br>**This Form is Open to Public Inspection.** |

For calendar plan year 2016 or fiscal plan year beginning 09/01/2016 and ending 02/23/2017

**A** Name of plan
EXPRESS MESSENGER SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

**B** Three-digit plan number (PN) ▶ 002

**C** Plan sponsor's name as shown on line 2a of Form 5500
EXPRESS MESSENGER SYSTEMS, INC

**D** Employer Identification Number (EIN)
98-0066674

## Part I Service Provider Information (see instructions)

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

GREATBANC

36-3681493

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

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

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

PRINCIPAL LIFE INSURANCE COMPANY

42-0127290

| (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? |
|---|---|---|---|---|---|---|
| 13 50 64 | CONTRACT ADMINISTRATOR | 34998 | Yes [X] No [ ] | Yes [X] No [ ] | 0 | Yes [ ] No [X] |

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

MAYER HOFFMAN MCCANN, P.C

43-1947695

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 10 50 | ACCOUNTANT | 6339 | Yes [ ] No [X] | Yes [ ] No [ ] | | Yes [ ] No [ ] |

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

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

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

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

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

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

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

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

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

## Part I Service Provider Information (continued)

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

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

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

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

## Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

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

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

(complete as many entries as needed)

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

# SCHEDULE H (Form 5500)

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

**2016**

**This Form is Open to Public Inspection**

For calendar plan year 2016 or fiscal plan year beginning 09/01/2016 and ending 02/23/2017

**A** Name of plan
EXPRESS MESSENGER SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

**B** Three-digit plan number (PN) ▶ 002

**C** Plan sponsor's name as shown on line 2a of Form 5500
EXPRESS MESSENGER SYSTEMS, INC

**D** Employer Identification Number (EIN)
98-0066674

## Part I Asset and Liability Statement

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

| Assets | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **a** Total noninterest-bearing cash | 1a | | |
| **b** Receivables (less allowance for doubtful accounts): | | | |
| **(1)** Employer contributions | 1b(1) | 851 | 0 |
| **(2)** Participant contributions | 1b(2) | 0 | 0 |
| **(3)** Other | 1b(3) | 4262 | 0 |
| **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) | | |
| **(9)** Value of interest in common/collective trusts | 1c(9) | | |
| **(10)** Value of interest in pooled separate accounts | 1c(10) | | |
| **(11)** Value of interest in master trust investment accounts | 1c(11) | | |
| **(12)** Value of interest in 103-12 investment entities | 1c(12) | | |
| **(13)** Value of interest in registered investment companies (e.g., mutual funds) | 1c(13) | 17719664 | 0 |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | | |
| **(15)** Other | 1c(15) | | |

| | | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|---|
| **1d** | Employer-related investments: | | | |
| | **(1)** Employer securities | 1d(1) | | |
| | **(2)** Employer real property | 1d(2) | | |
| **e** | Buildings and other property used in plan operation | 1e | | |
| **f** | Total assets (add all amounts in lines 1a through 1e) | 1f | 17724777 | 0 |
| | **Liabilities** | | | |
| **g** | Benefit claims payable | 1g | 0 | |
| **h** | Operating payables | 1h | 0 | |
| **i** | Acquisition indebtedness | 1i | 0 | |
| **j** | Other liabilities | 1j | 37034 | 0 |
| **k** | Total liabilities (add all amounts in lines 1g through1j) | 1k | 37034 | 0 |
| | **Net Assets** | | | |
| **l** | Net assets (subtract line 1k from line 1f) | 1l | 17687743 | 0 |

## 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) | 0 | |
| | **(B)** Participants | 2a(1)(B) | 0 | |
| | **(C)** Others (including rollovers) | 2a(1)(C) | 0 | |
| | **(2)** Noncash contributions | 2a(2) | 0 | |
| | **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 0 |
| **b** | **Earnings on investments:** | | | |
| | **(1)** Interest: | | | |
| | **(A)** Interest-bearing cash (including money market accounts and certificates of deposit) | 2b(1)(A) | 1444 | |
| | **(B)** U.S. Government securities | 2b(1)(B) | 0 | |
| | **(C)** Corporate debt instruments | 2b(1)(C) | 0 | |
| | **(D)** Loans (other than to participants) | 2b(1)(D) | 0 | |
| | **(E)** Participant loans | 2b(1)(E) | | |
| | **(F)** Other | 2b(1)(F) | 0 | |
| | **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 1444 |
| | **(2)** Dividends: **(A)** Preferred stock | 2b(2)(A) | 0 | |
| | **(B)** Common stock | 2b(2)(B) | 0 | |
| | **(C)** Registered investment company shares (e.g. mutual funds) | 2b(2)(C) | 0 | |
| | **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | 0 |
| | **(3)** Rents | 2b(3) | | 0 |
| | **(4)** Net gain (loss) on sale of assets: **(A)** Aggregate proceeds | 2b(4)(A) | 0 | |
| | **(B)** Aggregate carrying amount (see instructions) | 2b(4)(B) | 0 | |
| | **(C)** Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result | 2b(4)(C) | | 0 |
| | **(5)** Unrealized appreciation (depreciation) of assets: **(A)** Real estate | 2b(5)(A) | 0 | |
| | **(B)** Other | 2b(5)(B) | 0 | |
| | **(C)** Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)** | 2b(5)(C) | | 0 |

| | | (a) Amount | (b) Total |
|---|---|---|---|
| **(6)** Net investment gain (loss) from common/collective trusts | 2b(6) | | 0 |
| **(7)** Net investment gain (loss) from pooled separate accounts | 2b(7) | | 0 |
| **(8)** Net investment gain (loss) from master trust investment accounts | 2b(8) | | 0 |
| **(9)** Net investment gain (loss) from 103-12 investment entities | 2b(9) | | 0 |
| **(10)** Net investment gain (loss) from registered investment companies (e.g., mutual funds) | 2b(10) | | 0 |
| **c** Other income | 2c | | 0 |
| **d** Total income. Add all **income** amounts in column (b) and enter total | 2d | | 1444 |
| **Expenses** | | | |
| **e** Benefit payment and payments to provide benefits: | | | |
| **(1)** Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 4277656 | |
| **(2)** To insurance carriers for the provision of benefits | 2e(2) | 0 | |
| **(3)** Other | 2e(3) | 0 | |
| **(4)** Total benefit payments. Add lines **2e(1)** through **(3)** | 2e(4) | | 4277656 |
| **f** Corrective distributions (see instructions) | 2f | | 0 |
| **g** Certain deemed distributions of participant loans (see instructions) | 2g | | |
| **h** Interest expense | 2h | | 0 |
| **i** Administrative expenses: **(1)** Professional fees | 2i(1) | 0 | |
| **(2)** Contract administrator fees | 2i(2) | 14474 | |
| **(3)** Investment advisory and management fees | 2i(3) | 0 | |
| **(4)** Other | 2i(4) | 0 | |
| **(5)** Total administrative expenses. Add lines **2i(1)** through **(4)** | 2i(5) | | 14474 |
| **j** Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 4292130 |
| **Net Income and Reconciliation** | | | |
| **k** Net income (loss). Subtract line **2j** from line **2d** | 2k | | -4290686 |
| **l** Transfers of assets: | | | |
| **(1)** To this plan | 2l(1) | | 0 |
| **(2)** From this plan | 2l(2) | | 13397057 |

## 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: MAYER HOFFMAN MCCANN, P.C. **(2)** EIN: 43-1947695

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

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

## Part IV Compliance Questions

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

During the plan year:

| | | Yes | No | Amount |
|---|---|---|---|---|
| **a** Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) | 4a | | X | 0 |
| **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 | 0 |

| | | | Yes | No | Amount |
|---|---|---|---|---|---|
| c | Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) | 4c | | X | 0 |
| d | Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) | 4d | | X | 0 |
| e | Was this plan covered by a fidelity bond? | 4e | X | | 5000000 |
| f | Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | 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 | Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service? | 4o | | | |

**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 ..... [X] **Yes** [ ] **No** **Amount:** 0

**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) |
|---|---|---|
| EXPRESS MESSENGER SYSTEMS, INC. 401(K) PLAN | 98-0066675 | 001 |
| | | |
| | | |
| | | |

**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
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year_____. (See instructions.)

## 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 sections 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

**2016**

**This Form is Open to Public Inspection.**

For calendar plan year 2016 or fiscal plan year beginning 09/01/2016 and ending 02/23/2017

**A** Name of plan
EXPRESS MESSENGER SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

**B** Three-digit plan number (PN) ▶ 002

**C** Plan sponsor's name as shown on line 2a of Form 5500
EXPRESS MESSENGER SYSTEMS, INC

**D** Employer Identification Number (EIN)
98-0066674

## Part I 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): 42-0127290

**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? If "No," skip b | ☐ Yes ☐ No |
| **20b** How did the plan satisfy the nondiscrimination requirements for employee deferrals under section 401(k)(3) for the plan year? Check all that apply: | ☐ Design-based safe harbor ☐ "Prior year" ADP test ☐ "Current year" ADP test ☐ N/A |
| **21a** What testing method was used to satisfy the coverage requirements under section 410(b) for the plan year? Check all that apply: | ☐ Ratio percentage test ☐ Average benefit test ☐ N/A |
| **21b** Did the plan satisfy the coverage and nondiscrimination requirements of sections 410(b) and 401(a)(4) for the plan year by combining this plan with any other plan under the permissive aggregation rules? | ☐ Yes ☐ No |

**22a** If the plan is a master and prototype plan (M&P) or volume submitter plan that received a favorable IRS opinion letter or advisory letter, enter the date of the letter _____/_____/_____ and the serial number _____.

**22b** If the plan is an individually-designed plan that received a favorable determination letter from the IRS, enter the date of the most recent determination letter _____/_____/_____.

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

## FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES

February 23, 2017, August 31, 2016, and 2015

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

## FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES

February 23, 2017, August 31, 2016, and 2015

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# INDEPENDENT AUDITORS' REPORT

To the Administrative Committee of

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

## Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the ***Express Messenger Systems, Inc. Employee Stock Ownership Plan*** (the "Plan"), which comprise the statements of net assets available for benefits in liquidation as of February 23, 2017, August 31, 2016, and the related statements of changes in net assets available for benefits in liquidation for the period September 1, 2016 to February 23, 2017 and the year ended August 31, 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.

## Auditors' Responsibility

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

## Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's ("DOL") Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 6, which was certified by GreatBanc Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the 2016 and 2017 financial statements. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained certifications from the trustee as of February 23, 2017 and August 31, 2016 and for the period from September 1, 2016 to February 23, 2017, and year ended August 31, 2016 that the information provided to the Plan administrator by the trustee is complete and accurate.

## Disclaimer of Opinion

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

**Basis of Accounting**

As further described in Notes 1 and 2 to the financial statements, the Board of Directors of Express Messenger Systems, Inc. resolved to terminate the Plan. In accordance with accounting principles generally accepted in the United States of America, the Plan has changed its basis of accounting from the ongoing plan basis used in presented the 2015 financial statements and the statement of changes in net assets for the year ended August 31, 2015 to the liquidation basis used in presenting the statement of net assets as of August 31, 2016 and the 2017 financial statements for the period from September 1, 2016 to February 23, 2017. Our opinion is not modified in respect to this matter.

**Other Matter - Supplemental Schedules**

The supplemental schedule of assets held at end of year as of August 31, 2016 and the supplemental schedules of reportable transactions in liquidation for the period from September 1, 2016 to February 23, 2017 and year ended August 31, 2016 are required by the DOL's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedules referred to above.

**Other Matter - 2015 Financial Statements**

We have audited the accompanying statement of net assets available for benefits of the Plan as of August 31, 2015, and the related notes, and in our report dated June 10, 2016, we expressed our opinion that such financial statement presents fairly, in all material respects, the net assets available for benefits of ***Express Messenger Systems, Inc. Employee Stock Ownership Plan*** as of August 31, 2015, in accordance with accounting principles generally accepted in the United States of America.

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

The form and content of the information included in the 2017 and 2016 financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Mayer Hoffman McCann P.C.

June 15, 2017

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

## STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS IN LIQUIDATION

February 23, 2017 and August 31, 2016

| | February 23, 2017 | August 31, 2016 |
|---|---|---|
| ASSETS | | |
| INVESTMENTS, AT FAIR VALUE | | |
| Money market funds | $ - | $ 17,719,664 |
| OTHER ASSETS | | |
| INTEREST INCOME AND OTHER RECEIVABLES | - | 5,113 |
| TOTAL ASSETS | - | 17,724,777 |
| LIABILITIES | | |
| ACCRUED EXPENSES | - | 37,034 |
| TOTAL LIABILITIES | - | 37,034 |
| NET ASSETS AVAILABLE FOR BENEFITS | $ - | $ 17,687,743 |

See Notes to Financial Statements

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

## STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

August 31, 2015

| | August 31, 2015 |
|---|---|
| ASSETS | |
| INVESTMENTS, AT FAIR VALUE | |
| Money market funds | $ 23,008,287 |
| OTHER ASSETS | |
| INTEREST INCOME AND OTHER RECEIVABLES | 413 |
| TOTAL ASSETS | 23,008,700 |
| LIABILITIES | |
| OTHER LIABILITIES | 14,771 |
| TOTAL LIABILITIES | 14,771 |
| NET ASSETS AVAILABLE FOR BENEFITS | $ 22,993,929 |

See Notes to Financial Statements

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

## STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS IN LIQUIDATION

Period Ended February 23, 2017 and the Year Ended August 31, 2016

| | February 23, 2017 | August 31, 2016 |
|---|---|---|
| ADDITIONS | | |
| Interest | $ 1,444 | $ 34,844 |
| Other income | - | 562 |
| TOTAL ADDITIONS | 1,444 | 35,406 |
| DEDUCTIONS | | |
| Benefit payments | 4,277,656 | 5,319,329 |
| Admin expenses | 14,474 | 22,263 |
| TOTAL DEDUCTIONS | 4,292,130 | 5,341,592 |
| NET CHANGE IN NET ASSETS PRIOR TO TRANSFERS | (4,290,686) | (5,306,186) |
| TRANSFER OF NET ASSETS | | |
| To Express Messenger Systems, Inc. 401(k) Plan | (13,397,057) | - |
| NET DECREASE IN NET ASSETS AVAILABLE FOR BENEFITS | (17,687,743) | (5,306,186) |
| NET ASSETS AVAILABLE FOR BENEFITS, BEGINNING OF PERIOD | 17,687,743 | 22,993,929 |
| NET ASSETS AVAILABLE FOR BENEFITS, END OF PERIOD | $ - | $ 17,687,743 |

See Notes to Financial Statements

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

## NOTES TO FINANCIAL STATEMENTS

February 23, 2017, August 31, 2016 and 2015

## (1) Description of the Plan

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

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

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

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

**A. General** – The Plan is a defined contribution plan covering all employees of the Company who are 21 years of age, have completed one year of service for salaried employees, completed one year of service with 1,000 hours worked for hourly employees, and who are actively employed on the last day of the Plan year. Eligibility was frozen to new participants effective with the termination of the Plan.

**B. Contributions** – Company contributions to the Plan are voluntary and shall not exceed the maximum amount deductible under the Internal Revenue Code. There were no contributions authorized by the Board of Directors of the Company for the period ended February 23, 2017 or the year ended August 31, 2016.

**C. Dividends** – After the sale of the Company stock in 2015, the Plan only held cash and cash equivalents.

**D. Participant accounts** – The Plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant's account is credited with allocations of Plan earnings.

Allocations of plan earnings after the Plan termination were done pro rata based on the balance of each participant's account, reduced by the amount of any charges to the account. The benefit to which a participant is entitled is the participant's vested account balance.

**(1) Description of the Plan (continued)**

**E. Vesting** – During the year ended August 31, 2014, the Company amended the Plan to accelerate vesting for all participants not yet fully vested in their accounts and to provide for no further forfeitures for allocation after the plan year ended August 31, 2013. As a result, all participant balances in the Plan became fully vested and all amounts forfeited after September 1, 2013 were reinstated effective August 15, 2014.

**F. Forfeitures** – There were no forfeited non-vested balances at February 23, 2017, August 31, 2016, and 2015.

**G. Investments** – The participants do not self-direct their investments in the Plan. Rather, the investment is professionally managed by GreatBanc Trust Company ("GreatBanc"), the trustee.

**H. Payment of benefits** – Distributions are made when a participant retires, reaches age 70 ½ and is a 5% owner, becomes disabled, dies (in which case, payment shall be made to his or her beneficiary or, if none, his or her legal representatives), or otherwise terminates employment with the Company. Distributions are made in the form of cash and recorded when paid. Participants that were terminated before the period ending February 23, 2017 were able to make distributions out of the Plan. Active participants had their account balances automatically transferred into the Express Messenger Systems, Inc. 401(k) Plan.

**I. Termination of the Plan** – The Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. By action of the Board of Directors, the Company decided to terminate the Plan effective April 6, 2015. The Company received a favorable determination letter dated August 5, 2016 approving the Plan termination. Final distributions were started upon receipt of the determination letter. The accounts of active participants, who so elected, were transferred to the Express Messenger Systems, Inc. 401(k) Plan and accounts of inactive participants or active participants not electing to transfer to the Express Messenger Systems, Inc. 401(k) Plan were paid to the participants.

**J. Administrative expenses** – Substantially all administrative expenses of the Plan are paid by the Company and are not reimbursed by the Plan.

**(2) Summary of significant accounting policies**

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

**Basis of accounting** – The financial statements of the Plan are prepared using the accrual method of accounting. Accordingly, income and contributions are recognized when earned, and expenses are recorded when incurred for the year ended August 31, 2015. In accordance with the termination of the Plan, the accompanying financial statements have been prepared on the liquidation basis of accounting beginning September 1, 2015.

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

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

**Concentrations of credit risk** – The Plan's investments consisted of cash and cash equivalents as of August 31, 2016 and 2015. Investments are exposed to various risks, such as interest rate, lack of marketability, and credit risks.

**Investment valuation** – 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 in an orderly transaction between market participants at the measurement date. See below for further discussion of fair value measurements.

Purchases and sales of investments are recorded on a trade date basis. Interest income is recorded on the accrual basis.

**Fair value measurements** – FASB ASC 820, *Fair Value Measurement,* establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

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

Level 2: Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or collaborated 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.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes to methodologies used at February 23, 2017, August 31, 2016 and 2015.

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

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

**Subsequent events** – Plan management has evaluated subsequent events through June 15, 2017 which is the date the financial statements of the Plan were available to be issued.

## (3) Fair value measurements

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

| 2016: | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Money market funds | $ 17,719,664 | $ - | $ - | $ 17,719,664 |
| Total investments | $ 17,719,664 | $ - | $ - | $ 17,719,664 |

| 2015: | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Money market funds | $ 23,008,287 | $ - | $ - | $ 23,008,287 |
| Total investments | $ 23,008,287 | $ - | $ - | $ 23,008,287 |

## (4) Income tax status

The Plan received a favorable determination letter from the IRS dated August 5, 2016 approving the Plan's termination. Consequently, management and the Plan Administrator believe that the Plan was designed and being operated in compliance with the applicable requirements of the Internal Revenue Code through its ultimate termination. Accordingly, no provision for income taxes has been included in the Plan's financial statements.

## (5) Party-in-interest transactions

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

Certain fees paid by the Plan for record keeping, administrative, and other professional services that qualify as party-in-interest transactions totaled $14,474 and $22,263 for the period ended February 23, 2017 and the year ended August 31, 2016, respectively.

## (6) Information certified by the trustee

GreatBanc managed and executed all investment transactions during the period from September 1, 2016 to February 23, 2017 and for the year ended August 31, 2016.

The Plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, GreatBanc has certified that the following data included in the accompanying financial statements and supplemental schedules is complete and accurate with respect to investments:

- Investments
- Interest income and other receivables
- Interest and dividends
- Schedule of assets (held at year end)

**(6) Information certified by the trustee (continued)**

The Plan's independent public accountants did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedules.

**(7) Transfer to Express Messenger Systems, Inc. 401(k) Plan**

During the period from September 1, 2016 to February 23, 2017, certain participants that had fully-vested balances in the Plan had the fully-vested cash portion of their balance transferred to the Express Messenger Systems, Inc. 401(k) Plan. As a result, assets totaling $13,397,057 were transferred to the Express Messenger Systems, Inc. 401(k) Plan from the Express Messenger Systems, Inc. Employee Stock Ownership Plan.

# SUPPLEMENTAL SCHEDULES

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

**EIN: #98-0066674**

**Plan #002**

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

August 31, 2016

| (a) | (b) Identity of Issue | (c) Description of Investment | (d) Cost | (e) Current Value |
|---|---|---|---|---|
| | Goldman Sachs | Money market funds | $ 17,719,664 | $ 17,719,664 |

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

**EIN: #98-0066674**
**Plan #002**

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

Period Ended February 23, 2017

| (a) Identity of party involved | (b) Description of asset (include interest rate and maturity in case of a loan) | (c) Purchase price | (d) Selling price | (g) Cost of asset | (h) Current value of asset on transaction date | (i) Net gain or (loss) |
|---|---|---|---|---|---|---|
| Goldman Sachs | Goldman Sachs Treasurey Obligations | $ - | $ 17,723,925 | $ 17,723,925 | $ 17,723,925 | $ - |

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

**EIN: #98-0066674**
**Plan #002**

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

Year Ended August 31, 2016

| (a) Identity of party involved | (b) Description of asset (include interest rate and maturity in case of a loan) | (c) Purchase price | (d) Selling price | (g) Cost of asset | (h) Current value of asset on transaction date | (i) Net gain or (loss) |
|---|---|---|---|---|---|---|
| Goldman Sachs | Goldman Sachs Treasurey Obligations | $ - | $ 5,319,329 | $ 5,319,329 | $ 5,319,329 | $ - |

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

## FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES

February 23, 2017, August 31, 2016, and 2015

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

## FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES

February 23, 2017, August 31, 2016, and 2015

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# INDEPENDENT AUDITORS' REPORT

To the Administrative Committee of

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

## Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the ***Express Messenger Systems, Inc. Employee Stock Ownership Plan*** (the "Plan"), which comprise the statements of net assets available for benefits in liquidation as of February 23, 2017, August 31, 2016, and the related statements of changes in net assets available for benefits in liquidation for the period September 1, 2016 to February 23, 2017 and the year ended August 31, 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.

## Auditors' Responsibility

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

## Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's ("DOL") Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 6, which was certified by GreatBanc Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the 2016 and 2017 financial statements. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained certifications from the trustee as of February 23, 2017 and August 31, 2016 and for the period from September 1, 2016 to February 23, 2017, and year ended August 31, 2016 that the information provided to the Plan administrator by the trustee is complete and accurate.

## Disclaimer of Opinion

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

**Basis of Accounting**

As further described in Notes 1 and 2 to the financial statements, the Board of Directors of Express Messenger Systems, Inc. resolved to terminate the Plan. In accordance with accounting principles generally accepted in the United States of America, the Plan has changed its basis of accounting from the ongoing plan basis used in presented the 2015 financial statements and the statement of changes in net assets for the year ended August 31, 2015 to the liquidation basis used in presenting the statement of net assets as of August 31, 2016 and the 2017 financial statements for the period from September 1, 2016 to February 23, 2017. Our opinion is not modified in respect to this matter.

**Other Matter - Supplemental Schedules**

The supplemental schedule of assets held at end of year as of August 31, 2016 and the supplemental schedules of reportable transactions in liquidation for the period from September 1, 2016 to February 23, 2017 and year ended August 31, 2016 are required by the DOL's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedules referred to above.

**Other Matter - 2015 Financial Statements**

We have audited the accompanying statement of net assets available for benefits of the Plan as of August 31, 2015, and the related notes, and in our report dated June 10, 2016, we expressed our opinion that such financial statement presents fairly, in all material respects, the net assets available for benefits of ***Express Messenger Systems, Inc. Employee Stock Ownership Plan*** as of August 31, 2015, in accordance with accounting principles generally accepted in the United States of America.

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

The form and content of the information included in the 2017 and 2016 financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Mayer Hoffman McCann P.C.

June 15, 2017

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

## STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS IN LIQUIDATION

February 23, 2017 and August 31, 2016

| | February 23, 2017 | August 31, 2016 |
|---|---|---|
| ASSETS | | |
| INVESTMENTS, AT FAIR VALUE | | |
| Money market funds | $ - | $ 17,719,664 |
| OTHER ASSETS | | |
| INTEREST INCOME AND OTHER RECEIVABLES | - | 5,113 |
| TOTAL ASSETS | - | 17,724,777 |
| LIABILITIES | | |
| ACCRUED EXPENSES | - | 37,034 |
| TOTAL LIABILITIES | - | 37,034 |
| NET ASSETS AVAILABLE FOR BENEFITS | $ - | $ 17,687,743 |

See Notes to Financial Statements

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

## STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

August 31, 2015

| | August 31, 2015 |
|---|---|
| ASSETS | |
| INVESTMENTS, AT FAIR VALUE | |
| Money market funds | $ 23,008,287 |
| OTHER ASSETS | |
| INTEREST INCOME AND OTHER RECEIVABLES | 413 |
| TOTAL ASSETS | 23,008,700 |
| LIABILITIES | |
| OTHER LIABILITIES | 14,771 |
| TOTAL LIABILITIES | 14,771 |
| NET ASSETS AVAILABLE FOR BENEFITS | $ 22,993,929 |

See Notes to Financial Statements

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

## STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS IN LIQUIDATION

Period Ended February 23, 2017 and the Year Ended August 31, 2016

| | February 23, 2017 | August 31, 2016 |
|---|---|---|
| ADDITIONS | | |
| Interest | $ 1,444 | $ 34,844 |
| Other income | - | 562 |
| TOTAL ADDITIONS | 1,444 | 35,406 |
| DEDUCTIONS | | |
| Benefit payments | 4,277,656 | 5,319,329 |
| Admin expenses | 14,474 | 22,263 |
| TOTAL DEDUCTIONS | 4,292,130 | 5,341,592 |
| NET CHANGE IN NET ASSETS PRIOR TO TRANSFERS | (4,290,686) | (5,306,186) |
| TRANSFER OF NET ASSETS | | |
| To Express Messenger Systems, Inc. 401(k) Plan | (13,397,057) | - |
| NET DECREASE IN NET ASSETS AVAILABLE FOR BENEFITS | (17,687,743) | (5,306,186) |
| NET ASSETS AVAILABLE FOR BENEFITS, BEGINNING OF PERIOD | 17,687,743 | 22,993,929 |
| NET ASSETS AVAILABLE FOR BENEFITS, END OF PERIOD | $ - | $ 17,687,743 |

See Notes to Financial Statements

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

## NOTES TO FINANCIAL STATEMENTS

February 23, 2017, August 31, 2016 and 2015

## (1) Description of the Plan

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

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

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

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

**A. General** – The Plan is a defined contribution plan covering all employees of the Company who are 21 years of age, have completed one year of service for salaried employees, completed one year of service with 1,000 hours worked for hourly employees, and who are actively employed on the last day of the Plan year. Eligibility was frozen to new participants effective with the termination of the Plan.

**B. Contributions** – Company contributions to the Plan are voluntary and shall not exceed the maximum amount deductible under the Internal Revenue Code. There were no contributions authorized by the Board of Directors of the Company for the period ended February 23, 2017 or the year ended August 31, 2016.

**C. Dividends** – After the sale of the Company stock in 2015, the Plan only held cash and cash equivalents.

**D. Participant accounts** – The Plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant's account is credited with allocations of Plan earnings.

Allocations of plan earnings after the Plan termination were done pro rata based on the balance of each participant's account, reduced by the amount of any charges to the account. The benefit to which a participant is entitled is the participant's vested account balance.

**(1) Description of the Plan (continued)**

**E. Vesting** – During the year ended August 31, 2014, the Company amended the Plan to accelerate vesting for all participants not yet fully vested in their accounts and to provide for no further forfeitures for allocation after the plan year ended August 31, 2013. As a result, all participant balances in the Plan became fully vested and all amounts forfeited after September 1, 2013 were reinstated effective August 15, 2014.

**F. Forfeitures** – There were no forfeited non-vested balances at February 23, 2017, August 31, 2016, and 2015.

**G. Investments** – The participants do not self-direct their investments in the Plan. Rather, the investment is professionally managed by GreatBanc Trust Company ("GreatBanc"), the trustee.

**H. Payment of benefits** – Distributions are made when a participant retires, reaches age 70 ½ and is a 5% owner, becomes disabled, dies (in which case, payment shall be made to his or her beneficiary or, if none, his or her legal representatives), or otherwise terminates employment with the Company. Distributions are made in the form of cash and recorded when paid. Participants that were terminated before the period ending February 23, 2017 were able to make distributions out of the Plan. Active participants had their account balances automatically transferred into the Express Messenger Systems, Inc. 401(k) Plan.

**I. Termination of the Plan** – The Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. By action of the Board of Directors, the Company decided to terminate the Plan effective April 6, 2015. The Company received a favorable determination letter dated August 5, 2016 approving the Plan termination. Final distributions were started upon receipt of the determination letter. The accounts of active participants, who so elected, were transferred to the Express Messenger Systems, Inc. 401(k) Plan and accounts of inactive participants or active participants not electing to transfer to the Express Messenger Systems, Inc. 401(k) Plan were paid to the participants.

**J. Administrative expenses** – Substantially all administrative expenses of the Plan are paid by the Company and are not reimbursed by the Plan.

**(2) Summary of significant accounting policies**

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

**Basis of accounting** – The financial statements of the Plan are prepared using the accrual method of accounting. Accordingly, income and contributions are recognized when earned, and expenses are recorded when incurred for the year ended August 31, 2015. In accordance with the termination of the Plan, the accompanying financial statements have been prepared on the liquidation basis of accounting beginning September 1, 2015.

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

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

**Concentrations of credit risk** – The Plan's investments consisted of cash and cash equivalents as of August 31, 2016 and 2015. Investments are exposed to various risks, such as interest rate, lack of marketability, and credit risks.

**Investment valuation** – 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 in an orderly transaction between market participants at the measurement date. See below for further discussion of fair value measurements.

Purchases and sales of investments are recorded on a trade date basis. Interest income is recorded on the accrual basis.

**Fair value measurements** – FASB ASC 820, *Fair Value Measurement,* establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

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

Level 2: Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or collaborated 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.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes to methodologies used at February 23, 2017, August 31, 2016 and 2015.

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

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

**Subsequent events** – Plan management has evaluated subsequent events through June 15, 2017 which is the date the financial statements of the Plan were available to be issued.

## (3) Fair value measurements

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

| 2016: | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Money market funds | $ 17,719,664 | $ - | $ - | $ 17,719,664 |
| Total investments | $ 17,719,664 | $ - | $ - | $ 17,719,664 |

| 2015: | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Money market funds | $ 23,008,287 | $ - | $ - | $ 23,008,287 |
| Total investments | $ 23,008,287 | $ - | $ - | $ 23,008,287 |

## (4) Income tax status

The Plan received a favorable determination letter from the IRS dated August 5, 2016 approving the Plan's termination. Consequently, management and the Plan Administrator believe that the Plan was designed and being operated in compliance with the applicable requirements of the Internal Revenue Code through its ultimate termination. Accordingly, no provision for income taxes has been included in the Plan's financial statements.

## (5) Party-in-interest transactions

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

Certain fees paid by the Plan for record keeping, administrative, and other professional services that qualify as party-in-interest transactions totaled $14,474 and $22,263 for the period ended February 23, 2017 and the year ended August 31, 2016, respectively.

## (6) Information certified by the trustee

GreatBanc managed and executed all investment transactions during the period from September 1, 2016 to February 23, 2017 and for the year ended August 31, 2016.

The Plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, GreatBanc has certified that the following data included in the accompanying financial statements and supplemental schedules is complete and accurate with respect to investments:

- Investments
- Interest income and other receivables
- Interest and dividends
- Schedule of assets (held at year end)

**(6) Information certified by the trustee (continued)**

The Plan's independent public accountants did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedules.

**(7) Transfer to Express Messenger Systems, Inc. 401(k) Plan**

During the period from September 1, 2016 to February 23, 2017, certain participants that had fully-vested balances in the Plan had the fully-vested cash portion of their balance transferred to the Express Messenger Systems, Inc. 401(k) Plan. As a result, assets totaling $13,397,057 were transferred to the Express Messenger Systems, Inc. 401(k) Plan from the Express Messenger Systems, Inc. Employee Stock Ownership Plan.

# SUPPLEMENTAL SCHEDULES

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

**EIN: #98-0066674**

**Plan #002**

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

August 31, 2016

| (a) | (b) Identity of Issue | (c) Description of Investment | (d) Cost | (e) Current Value |
|---|---|---|---|---|
| | Goldman Sachs | Money market funds | $ 17,719,664 | $ 17,719,664 |

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

**EIN: #98-0066674**
**Plan #002**

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

Period Ended February 23, 2017

| (a) Identity of party involved | (b) Description of asset (include interest rate and maturity in case of a loan) | (c) Purchase price | (d) Selling price | (g) Cost of asset | (h) Current value of asset on transaction date | (i) Net gain or (loss) |
|---|---|---|---|---|---|---|
| Goldman Sachs | Goldman Sachs Treasurey Obligations | $ - | $ 17,723,925 | $ 17,723,925 | $ 17,723,925 | $ - |

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

**EIN: #98-0066674**
**Plan #002**

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

Year Ended August 31, 2016

| (a) Identity of party involved | (b) Description of asset (include interest rate and maturity in case of a loan) | (c) Purchase price | (d) Selling price | (g) Cost of asset | (h) Current value of asset on transaction date | (i) Net gain or (loss) |
|---|---|---|---|---|---|---|
| Goldman Sachs | Goldman Sachs Treasurey Obligations | $ - | $ 5,319,329 | $ 5,319,329 | $ 5,319,329 | $ - |

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

**EIN: #98-0066674**
**Plan #002**

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

Period Ended February 23, 2017

| (a) Identity of party involved | (b) Description of asset (include interest rate and maturity in case of a loan) | (c) Purchase price | (d) Selling price | (g) Cost of asset | (h) Current value of asset on transaction date | (i) Net gain or (loss) |
|---|---|---|---|---|---|---|
| Goldman Sachs | Goldman Sachs Treasurey Obligations | $ - | $ 17,723,925 | $ 17,723,925 | $ 17,723,925 | $ - |