

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). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2018 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information For calendar plan year 2018 or fiscal plan year beginning <u>01/01/2018</u> and ending <u>12/31/2018</u>
A This return/report is for: <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div> ☐ a multiemployer plan </div> <div> ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div> ☒ a single-employer plan </div> <div> ☐ a DFE (specify) ____ </div> </div>	
B This return/report is: <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div> ☐ the first return/report </div> <div> ☐ the final return/report </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div> ☐ an amended return/report </div> <div> ☐ a short plan year return/report (less than 12 months) </div> </div>	
C If the plan is a collectively-bargained plan, check here. ▶ ☐	
D Check box if filing under: <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div> ☒ Form 5558 </div> <div> ☐ automatic extension </div> <div> ☐ the DFVC program </div> </div> <div style="margin-top: 5px;"> ☐ special extension (enter description) </div>	

Part II	Basic Plan Information—enter all requested information				
1a Name of plan <u>INDUSTRIAL ELECTRICAL COMPANY 401(K) PROFIT SHARING PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>002</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>01/01/1991</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>002</u>	1c Effective date of plan <u>01/01/1991</u>	
1b Three-digit plan number (PN) ▶	<u>002</u>				
1c Effective date of plan <u>01/01/1991</u>					
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) <u>INDUSTRIAL ELECTRICAL COMPANY</u> <u>1417 COLDWELL AVENUE</u> <u>MODESTO, CA 95350</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>94-1231917</u></td> </tr> <tr> <td>2c Plan Sponsor's telephone number <u>209-527-2800</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>238210</u></td> </tr> <tr> <td style="height: 40px;"></td> </tr> </table>	2b Employer Identification Number (EIN) <u>94-1231917</u>	2c Plan Sponsor's telephone number <u>209-527-2800</u>	2d Business code (see instructions) <u>238210</u>	
2b Employer Identification Number (EIN) <u>94-1231917</u>					
2c Plan Sponsor's telephone number <u>209-527-2800</u>					
2d Business code (see instructions) <u>238210</u>					

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/07/2019	ROY SWANSON
	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

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2018)
v. 171027

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 307
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	<div style="background-color: #cccccc; height: 20px; width: 100%;"></div> 6a(1) 189 6a(2) 188 6b 0 6c 91 6d 279 6e 0 6f 279 6g 264 6h 22
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 2G 2J 2K 2S 2T 3D 2F b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor

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

a Pension Schedules

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

b General Schedules

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

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2018 Form M-1 annual report. If the plan was not required to file the 2018 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 _____

<div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>	OMB No. 1210-0110
		2018
		This Form is Open to Public Inspection.

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018		
A Name of plan INDUSTRIAL ELECTRICAL COMPANY 401(K) PROFIT SHARING PLAN	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 INDUSTRIAL ELECTRICAL COMPANY	D Employer Identification Number (EIN) 94-1231917	

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No
- b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
HARTFORD MUTUAL FUNDS
13-3317783

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
ALLIANCEBERNSTEIN
13-3191825

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
COLUMBIA
93-0577450

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
EATON VANCE
04-2718215

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

FRANKLIN TEMPLETON INVESTMENTS

94-3167260

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

BLACKROCK

04-6171663

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

AMERICAN CENTURY INVESTMENTS

44-6006315

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

JPMORGAN

13-2624428

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

PRINCIPAL FUNDS

42-1520346

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

T. ROWE PRICE

52-2264646

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

GOLDMAN SACHS

13-5108880

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

MFS

04-2747644

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

OPPENHEIMER FUNDS

13-2527171

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

VIRTUS

95-4191764

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

PRUDENTIAL INVESTMENTS

22-3703799

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

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

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

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

(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)

WELLS FARGO ADVISORS, LLC

34-1542819

(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?
27 51	SERVICE PROVIDER	21920	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

WELLS FARGO BANK, N.A.

94-1347393

(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 37 49 50 62 64 60 63	SERVICE PROVIDER	8402	Yes ☒ No ☐	Yes ☒ No ☐	0	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
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(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:

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
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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**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

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2018 This Form is Open to Public Inspection
For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018		
A Name of plan INDUSTRIAL ELECTRICAL COMPANY 401(K) PROFIT SHARING PLAN	B Three-digit plan number (PN) ►	002
C Plan sponsor's name as shown on line 2a of Form 5500 INDUSTRIAL ELECTRICAL COMPANY	D Employer Identification Number (EIN) 94-1231917	

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
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	Total noninterest-bearing cash	1a		
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions.....	1b(1)		
	(2) Participant contributions	1b(2)		
	(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)	133433	169578
	(9) Value of interest in common/collective trusts	1c(9)	71172	89992
	(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)	8522344	8521038
	(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
	(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(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	8726949	8780608

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	8726949	8780608
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Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	120420	
(B) Participants	2a(1)(B)	1046856	
(C) Others (including rollovers)	2a(1)(C)	44303	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		1211579
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	7105	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		7105
(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)	141787	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		141787
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		1662
(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)		-660203
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		701930

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	499573	
(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)		499573
f Corrective distributions (see instructions)	2f		69093
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)		
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)		
(4) Other	2i(4)	79605	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		79605
j Total expenses. Add all expense amounts in column (b) and enter total	2j		648271

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		53659
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) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☒ Yes ☐ No

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

(1) Name: **ATHERTON & ASSOCIATES LLP**

(2) EIN: **94-1239084**

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

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

Part IV Compliance Questions

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

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)

	Yes	No	Amount
4a		X	
4b		X	

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

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

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

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 2018 This Form is Open to Public Inspection.
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For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

A Name of plan <u>INDUSTRIAL ELECTRICAL COMPANY 401(K) PROFIT SHARING PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>INDUSTRIAL ELECTRICAL COMPANY</u>	D Employer Identification Number (EIN) <u>94-1231917</u>

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

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions	1	
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>41-6257133</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	

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

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

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

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

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Schedule R (Form 5500) 2018
v. 171027

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

b The plan year immediately preceding the current plan year

c The second preceding plan year

14a**14b****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

b The corresponding number for the second preceding plan year

15a**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

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

16a**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):

**INDUSTRIAL ELECTRICAL CO.
401(K) PROFIT SHARING PLAN**

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018



ATHERTON

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INDEPENDENT AUDITOR'S REPORT

October 3, 2019

Board of Directors
Industrial Electrical Co. 401(k) Profit Sharing Plan
Modesto, California

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Industrial Electrical Co. 401(k) Profit Sharing Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2018 and 2017, the related statement of changes in net assets available for benefits for the year ended December 31, 2018, 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 these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified or provided by Wells Fargo Bank, N.A., the custodian of the Plan, except for comparing this information with the related information included in the financial statements. We have been informed by the Plan Administrator that the custodian holds the Plan's assets and executes transactions. The Plan Administrator has obtained certifications from the custodian as of December 31, 2018 and 2017, and for the year ended December 31, 2018, that the information provided to the Plan Administrator by the custodian is complete and accurate.

Janet Pelton | Ron Ehrke | Scott Kerr | Loren Kuntz | Maria Stokman | Rebecca Terpstra | Craig Schaurer

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Disclaimer of Opinion

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

Other Matter

The supplemental schedule Schedule H, Line 4i – Schedule of Assets Held at End of Year as of December 31, 2018 is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purposes of additional analysis and is not a required part of the financial statements. The supplemental schedule is the responsibility of the Plan's management. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule.

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

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

Atherton & Associates, LLP

INDUSTRIAL ELECTRICAL CO. 401(K) PROFIT SHARING PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
ASSETS		
Investments, at fair value		
Mutual funds	\$ 8,521,038	\$ 8,522,344
Common collective trust	<u>89,992</u>	<u>71,173</u>
Total investments	<u>8,611,030</u>	<u>8,593,517</u>
 Notes receivable from participants	 <u>169,578</u>	 <u>131,225</u>
TOTAL ASSETS	8,780,608	8,724,742
 LIABILITIES, excess contributions payable	 <u>40,012</u>	 <u>66,831</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 8,740,596</u>	<u>\$ 8,657,911</u>

INDUSTRIAL ELECTRICAL CO. 401(K) PROFIT SHARING PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEAR ENDED DECEMBER 31, 2018

ADDITIONS TO NET ASSETS ATTRIBUTED TO:

Investment income, interest and dividend income	\$ 141,805
Interest income on notes receivable from participants	<u>7,105</u>
Contributions:	
Employee	1,006,844
Employer	120,419
Rollover	<u>44,303</u>
Total contributions	<u>1,171,566</u>
Total additions	<u>1,320,476</u>

DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:

Net depreciation in fair value of investments	691,969
Benefits paid to participants	499,628
Administrative expenses	<u>46,194</u>
Total deductions	<u>1,237,791</u>
Net increase in net assets	82,685

NET ASSETS AVAILABLE FOR BENEFITS

Beginning of year	<u>8,657,911</u>
End of year	<u><u>\$ 8,740,596</u></u>

NOTES TO FINANCIAL STATEMENTS

INDUSTRIAL ELECTRICAL CO. 401(K) PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Note 1 Description of the Plan

The following description of the Industrial Electrical Co. 401(k) Profit Sharing Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General The Plan is a participant directed defined contribution plan covering all full-time employees of Modesto Industrial Electrical Co., Inc. dba Industrial Electrical Co. and Industrial Automation Group, LLC (the Company), with the exception of employees covered under a collective bargaining agreement, who have attained age 18. At December 31, 2018, Industrial Automation Group, LLC was sold to a third party and their employees are no longer covered under the Plan effective January 2019. Employees can enter the Plan at the beginning of the month following date of hire. The Plan was restated effective January 1, 2016 to be in compliance with the rules and regulations of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan is subject to the provisions of ERISA. The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America.

Contributions Eligible employees of the Company may elect to contribute up to the applicable limits allowed under the Internal Revenue Code. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans (rollover). Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan includes an auto-enrollment provision whereby all newly eligible employees are automatically enrolled in the Plan unless they affirmatively elect not to participate in the Plan. Automatically enrolled participants have their deferral rate set at 6% of eligible compensation and their contributions invested in a designated balanced fund until changed by the participant. The Company may elect to make discretionary matching and profit sharing contributions that are not to exceed limits as defined by Internal Revenue Code.

Participant Accounts Each active participant's account is credited with the participant's contribution and allocation of (a) the Company's contribution, (b) plan earnings, and charged with an allocation of administrative expenses and (c) any forfeitures. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Notes Receivable from Participants Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account and bear interest between 4.25% to 6.25%. Loan terms, unless for the purchase of a principal residence, are not to exceed five years. Principal and interest are paid ratably through payroll deductions. Delinquent loans are treated as distributions based upon the terms of the plan document.

Payment of Benefits On termination of service due to death, disability, or retirement, a participant may elect to receive a lump-sum amount equal to the value of his or her account or rollover to another qualified plan. A participant may elect an in-service withdrawal or hardship distribution prior to his or her separation from service in accordance with the hardship distribution policy.

Investment Options Upon enrollment in the Plan, a participant may direct contributions into numerous investment choices offered by Wells Fargo Bank, N.A. Participants may change their investment options through a written request through the Company or via the Internet.

INDUSTRIAL ELECTRICAL CO. 401(K) PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Note 1 Description of the Plan (Continued)

Administrative Expenses Certain expenses to maintain the Plan are paid by the Plan, unless otherwise paid by the Company. Expenses that are paid by the Company are excluded from these financial statements. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net depreciation in fair value of investments.

Vesting Participants are immediately 100% vested in their elective deferrals, rollover contributions, and prevailing wage contributions. Participants are 100% vested in the Company discretionary and profit sharing contributions after six years of credited service (20% per year after two years of credited service). A participant is 100% vested after reaching normal retirement age, or upon death or disability.

Forfeitures At December 31, 2018 and 2017, forfeited non-fully vested accounts totaled \$3,367 and \$32,342, respectively. The Plan allocates forfeitures to reduce employer matching contributions or to pay Plan expenses.

Note 2 Summary of Accounting Policies

Basis of Accounting The financial statements are prepared on the accrual basis of accounting.

Investment Valuations 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 in an orderly transaction between market participants at the measurement date. The Company determines the Plan's valuation policies utilizing information provided by the investment advisors, custodians, or trustees.

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 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 are measured at their unpaid principal balance plus any accrued interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2018 or 2017.

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. The Plan distributed the 2018 and 2017 excess contributions in accordance with Plan provisions.

Payment of Benefits The Plan records benefits when paid. Total vested benefits due to terminated participants but not paid was \$1,446,650 as of December 31, 2018.

Accounting for Uncertainty in Income Taxes 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 Plan has taken an uncertain position that more likely than not would not be sustained upon examination. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

INDUSTRIAL ELECTRICAL CO. 401(K) PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Note 2 Summary of Accounting Policies (Continued)

Recent Accounting Pronouncement In August 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework-Changes to the Disclosure Requirements for Fair Value Measurement*, which modifies the disclosure requirements for fair value measurements by removing, modifying, or adding certain disclosures. ASU 2018-13 is effective for all entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. An entity is permitted to early adopt any removed or modified disclosures and delay adoption of the additional disclosures until their effective date. The adoption of ASU 2018-13 is not expected to have a material impact on the financial statements.

Use of Estimates The preparation of the 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 available for benefits and changes therein. Accordingly, actual results could differ from those estimates.

Subsequent Events In preparing these financial statements, the Plan has evaluated events and transactions for potential recognition or disclosure through October 3, 2019, the date the financial statements were available to be issued.

Note 3 Information Prepared and Certified by the Custodian

The following is a summary of the Plan's asset information as of December 31, 2018 and 2017, and for the year ended December 31, 2018, included throughout the Plan's financial statements and supplemental schedule, that was prepared by or derived from information provided by the custodian and furnished to the Plan Administrator. The Plan Administrator has obtained certifications from the custodian that information provided to the Plan Administrator by the custodian related to the following assets are complete and accurate. Accordingly, as permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to information which appears throughout the financial statements and supplemental schedule related to the following assets:

	<u>2018</u>	<u>2017</u>
Mutual funds	\$8,521,038	\$8,522,344
Common collective trust	89,992	71,173
Notes receivable from participants	169,578	131,225

The custodian also certified to the completeness and accuracy of \$691,969 of net depreciation in fair value, \$141,805 of interest and dividend income associated with the investments, and \$7,105 of interest income associated with notes receivable from participants for the year ended December 31, 2018.

Note 4 Transactions with Parties-In-Interest

Wells Fargo Bank, N.A., the Plan's custodian and Atherton & Associates, LLP, the Plan's independent auditor, are parties-in-interest according to Section 3(14) of ERISA.

INDUSTRIAL ELECTRICAL CO. 401(K) PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Note 5 Income Tax Status

The Plan adopted a pre-approved volume submitter profit sharing plan sponsored by Wells Fargo Bank, N.A. The pre-approved volume submitter profit sharing plan has received an opinion letter from the Internal Revenue Service dated March 31, 2014 as to the pre-approved volume submitter profit sharing plan's qualified status. The pre-approved volume submitter profit sharing plan opinion letter has been relied upon by this Plan. Therefore, the Plan Administrator believes the Plan is designed and is being operated in compliance with the applicable provisions of the Internal Revenue Code.

Note 6 Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

Note 7 Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

Note 8 Fair Value Measurements

The framework for measuring fair value 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). Valuation techniques maximize the use of relevant observable inputs and minimize the use unobservable inputs. The three levels of the fair value hierarchy are described below:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices in active markets for identical assets or liabilities that the Plan can access at the measurement date.
- Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, such as:
- 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 that are unobservable inputs for the asset or liability.

INDUSTRIAL ELECTRICAL CO. 401(K) PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Note 8 Fair Value Measurements (Continued)

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

There have been no changes in the methodologies used at December 31, 2018 and 2017. Following is a description of the valuation methodologies used for assets measured at fair value.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the U.S. Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Common collective trust: A stable value fund that is composed primarily of investment contracts and security backed contracts that is valued at the NAV of units of a bank collective trust. The NAV is used as a practical expedient to estimate fair value. The NAV 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 than the reported NAV. Participant transactions (purchases and sales) may occur daily. Were the Plan to initiate a full redemption of the collective trust, the investment adviser 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.

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

	December 31, 2018			<u>Total</u>
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	
Mutual funds	<u>\$8,521,038</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$8,521,038</u>
Total assets in the fair value hierarchy	<u>8,521,038</u>	<u>-</u>	<u>-</u>	<u>8,521,038</u>
Investments measured at net asset value (a)				<u>89,992</u>
Investments at fair value				<u>\$8,611,030</u>

INDUSTRIAL ELECTRICAL CO. 401(K) PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Note 8 Fair Value Measurements (Continued)

	December 31, 2017			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds	<u>\$8,522,344</u>	\$ _____ -	\$ _____ -	<u>\$8,522,344</u>
Total assets in the fair value hierarchy	<u>8,522,344</u>	_____ -	_____ -	8,522,344
Investments measured at net asset value (a)				<u>71,173</u>
Investments at fair value				<u>\$8,593,517</u>

- (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 amounts presented in this 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 following table summarizes investments for which fair value is measured using the net asset value per share practical expedient as of December 31, 2018 and 2017, respectively. There are no participant redemption restrictions for these investments; the redemption notice period is applicable only to the Plan.

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (if Currently Eligible)</u>	<u>Redemption Notice Period</u>
<u>December 31, 2018</u>				
Common collective trust	\$89,992	N/A	Daily	12 months
<u>December 31, 2017</u>				
Common collective trust	\$71,173	N/A	Daily	12 months

Note 9 Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements at December 31 to Form 5500:

	<u>2018</u>	<u>2017</u>
Net assets available for benefits per the financial statements	\$8,740,596	\$8,657,911
Earnings on prior year excess contributions payable	-	2,207
Current year excess contributions payable	<u>40,012</u>	<u>66,831</u>
Net assets available for benefits per the Form 5500	<u>\$8,780,608</u>	<u>\$8,726,949</u>

INDUSTRIAL ELECTRICAL CO. 401(K) PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Note 9 Reconciliation of Financial Statements to Form 5500 (Continued)

The following is a reconciliation of change in net assets per the financial statements for the year ended December 31, 2018 to Form 5500:

Net increase in net assets per the financial statements	\$ 82,685
Current year excess contributions payable	40,012
Prior year excess contributions payable	(66,831)
Earnings on prior year excess contributions payable	<u>(2,207)</u>
Net increase in net assets per the Form 5500	<u>\$ 53,659</u>

Note 10 Subsequent Events

Subsequent to year end, the Plan changed their custodian and third-party administrator to Empower Retirement effective May 2019.

**SUPPLEMENTAL SCHEDULE -
FORM 5500 PURPOSES**

INDUSTRIAL ELECTRICAL CO. 401(K) PROFIT SHARING PLAN

EIN 94-1231917

PLAN NUMBER 002

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS HELD AT END OF YEAR

DECEMBER 31, 2018

(a)	(b) Identity of Issuer, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
* Wells Fargo Bank, N.A. - Hartford Balanced Income		Mutual Funds	N/A	\$ 311,252
* Wells Fargo Bank, N.A. - Eaton Vance Income of Boston		Mutual Funds	N/A	78,361
* Wells Fargo Bank, N.A. - Oppenheimer Intl Growth		Mutual Funds	N/A	122,870
* Wells Fargo Bank, N.A. - Hartford Inflation Plus		Mutual Funds	N/A	67,604
* Wells Fargo Bank, N.A. - MFS International Value		Mutual Funds	N/A	147,674
* Wells Fargo Bank, N.A. - Principal MidCap		Mutual Funds	N/A	1,153,467
* Wells Fargo Bank, N.A. - JP Morgan Large Cap Growth		Mutual Funds	N/A	377,083
* Wells Fargo Bank, N.A. - BlackRock Equity Dividend		Mutual Funds	N/A	338,596
* Wells Fargo Bank, N.A. - T. Rowe Price Health Sciences		Mutual Funds	N/A	123,219
* Wells Fargo Bank, N.A. - Alliance Bernstein Global Bond		Mutual Funds	N/A	67,340
* Wells Fargo Bank, N.A. - Goldman Sachs Technology		Mutual Funds	N/A	158,980
* Wells Fargo Bank, N.A. - Columbia Emerging Markets Bond		Mutual Funds	N/A	135,048
* Wells Fargo Bank, N.A. - American Century Equity Growth		Mutual Funds	N/A	784,809
* Wells Fargo Bank, N.A. - MFS International New Discovery		Mutual Funds	N/A	235,543
* Wells Fargo Bank, N.A. - T. Rowe Price Small Cap Stock		Mutual Funds	N/A	751,029
* Wells Fargo Bank, N.A. - Virtus Real Estate Securities		Mutual Funds	N/A	168,682
* Wells Fargo Bank, N.A. - Prudential Jennison Natural Resources		Mutual Funds	N/A	66,269
* Wells Fargo Bank, N.A. - Franklin Strategic Income		Mutual Funds	N/A	1,067
* Wells Fargo Bank, N.A. - Wells Fargo Advantage Core Bond		Mutual Funds	N/A	267,691
* Wells Fargo Bank, N.A. - Wells Fargo Target 2020		Mutual Funds	N/A	724,720
* Wells Fargo Bank, N.A. - Wells Fargo Target 2030		Mutual Funds	N/A	718,160
* Wells Fargo Bank, N.A. - Wells Fargo Target 2040		Mutual Funds	N/A	844,588
* Wells Fargo Bank, N.A. - Wells Fargo Target 2050		Mutual Funds	N/A	684,492
* Wells Fargo Bank, N.A. - Wells Fargo Target 2060		Mutual Funds	N/A	187,979
* Wells Fargo Bank, N.A. - Wells Fargo Target Today		Mutual Funds	N/A	4,515
* Wells Fargo Bank, N.A. - Wells Fargo Stable Return		Common Collective Trust	N/A	89,992
* Wells Fargo Bank, N.A. - Notes receivable from participants		Interest rates between 4.25% and 6.25%	N/A	169,578
				<u><u>\$ 8,780,608</u></u>

* Represents a party-in-interest.

The above information has been certified by Wells Fargo Bank, N.A.

**INDUSTRIAL ELECTRICAL CO.
401(K) PROFIT SHARING PLAN**

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018



ATHERTON

ASSOCIATES, L.P.

Tax • Assurance • Consulting

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INDEPENDENT AUDITOR'S REPORT

October 3, 2019

Board of Directors
Industrial Electrical Co. 401(k) Profit Sharing Plan
Modesto, California

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Industrial Electrical Co. 401(k) Profit Sharing Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2018 and 2017, the related statement of changes in net assets available for benefits for the year ended December 31, 2018, 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 these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified or provided by Wells Fargo Bank, N.A., the custodian of the Plan, except for comparing this information with the related information included in the financial statements. We have been informed by the Plan Administrator that the custodian holds the Plan's assets and executes transactions. The Plan Administrator has obtained certifications from the custodian as of December 31, 2018 and 2017, and for the year ended December 31, 2018, that the information provided to the Plan Administrator by the custodian is complete and accurate.

Janet Pelton | Ron Ehrke | Scott Kerr | Loren Kuntz | Maria Stokman | Rebecca Terpstra | Craig Schaurer

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Disclaimer of Opinion

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

Other Matter

The supplemental schedule Schedule H, Line 4i – Schedule of Assets Held at End of Year as of December 31, 2018 is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purposes of additional analysis and is not a required part of the financial statements. The supplemental schedule is the responsibility of the Plan's management. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule.

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

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

Atherton & Associates, LLP

INDUSTRIAL ELECTRICAL CO. 401(K) PROFIT SHARING PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
ASSETS		
Investments, at fair value		
Mutual funds	\$ 8,521,038	\$ 8,522,344
Common collective trust	<u>89,992</u>	<u>71,173</u>
Total investments	<u>8,611,030</u>	<u>8,593,517</u>
 Notes receivable from participants	 <u>169,578</u>	 <u>131,225</u>
TOTAL ASSETS	8,780,608	8,724,742
 LIABILITIES, excess contributions payable	 <u>40,012</u>	 <u>66,831</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 8,740,596</u>	<u>\$ 8,657,911</u>

INDUSTRIAL ELECTRICAL CO. 401(K) PROFIT SHARING PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEAR ENDED DECEMBER 31, 2018

ADDITIONS TO NET ASSETS ATTRIBUTED TO:

Investment income, interest and dividend income	\$ 141,805
Interest income on notes receivable from participants	<u>7,105</u>
Contributions:	
Employee	1,006,844
Employer	120,419
Rollover	<u>44,303</u>
Total contributions	<u>1,171,566</u>
Total additions	<u>1,320,476</u>

DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:

Net depreciation in fair value of investments	691,969
Benefits paid to participants	499,628
Administrative expenses	<u>46,194</u>
Total deductions	<u>1,237,791</u>
Net increase in net assets	82,685

NET ASSETS AVAILABLE FOR BENEFITS

Beginning of year	<u>8,657,911</u>
End of year	<u><u>\$ 8,740,596</u></u>

NOTES TO FINANCIAL STATEMENTS

INDUSTRIAL ELECTRICAL CO. 401(K) PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Note 1 Description of the Plan

The following description of the Industrial Electrical Co. 401(k) Profit Sharing Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General The Plan is a participant directed defined contribution plan covering all full-time employees of Modesto Industrial Electrical Co., Inc. dba Industrial Electrical Co. and Industrial Automation Group, LLC (the Company), with the exception of employees covered under a collective bargaining agreement, who have attained age 18. At December 31, 2018, Industrial Automation Group, LLC was sold to a third party and their employees are no longer covered under the Plan effective January 2019. Employees can enter the Plan at the beginning of the month following date of hire. The Plan was restated effective January 1, 2016 to be in compliance with the rules and regulations of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan is subject to the provisions of ERISA. The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America.

Contributions Eligible employees of the Company may elect to contribute up to the applicable limits allowed under the Internal Revenue Code. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans (rollover). Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan includes an auto-enrollment provision whereby all newly eligible employees are automatically enrolled in the Plan unless they affirmatively elect not to participate in the Plan. Automatically enrolled participants have their deferral rate set at 6% of eligible compensation and their contributions invested in a designated balanced fund until changed by the participant. The Company may elect to make discretionary matching and profit sharing contributions that are not to exceed limits as defined by Internal Revenue Code.

Participant Accounts Each active participant's account is credited with the participant's contribution and allocation of (a) the Company's contribution, (b) plan earnings, and charged with an allocation of administrative expenses and (c) any forfeitures. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Notes Receivable from Participants Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account and bear interest between 4.25% to 6.25%. Loan terms, unless for the purchase of a principal residence, are not to exceed five years. Principal and interest are paid ratably through payroll deductions. Delinquent loans are treated as distributions based upon the terms of the plan document.

Payment of Benefits On termination of service due to death, disability, or retirement, a participant may elect to receive a lump-sum amount equal to the value of his or her account or rollover to another qualified plan. A participant may elect an in-service withdrawal or hardship distribution prior to his or her separation from service in accordance with the hardship distribution policy.

Investment Options Upon enrollment in the Plan, a participant may direct contributions into numerous investment choices offered by Wells Fargo Bank, N.A. Participants may change their investment options through a written request through the Company or via the Internet.

INDUSTRIAL ELECTRICAL CO. 401(K) PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Note 1 Description of the Plan (Continued)

Administrative Expenses Certain expenses to maintain the Plan are paid by the Plan, unless otherwise paid by the Company. Expenses that are paid by the Company are excluded from these financial statements. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net depreciation in fair value of investments.

Vesting Participants are immediately 100% vested in their elective deferrals, rollover contributions, and prevailing wage contributions. Participants are 100% vested in the Company discretionary and profit sharing contributions after six years of credited service (20% per year after two years of credited service). A participant is 100% vested after reaching normal retirement age, or upon death or disability.

Forfeitures At December 31, 2018 and 2017, forfeited non-fully vested accounts totaled \$3,367 and \$32,342, respectively. The Plan allocates forfeitures to reduce employer matching contributions or to pay Plan expenses.

Note 2 Summary of Accounting Policies

Basis of Accounting The financial statements are prepared on the accrual basis of accounting.

Investment Valuations 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 in an orderly transaction between market participants at the measurement date. The Company determines the Plan's valuation policies utilizing information provided by the investment advisors, custodians, or trustees.

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 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 are measured at their unpaid principal balance plus any accrued interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2018 or 2017.

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. The Plan distributed the 2018 and 2017 excess contributions in accordance with Plan provisions.

Payment of Benefits The Plan records benefits when paid. Total vested benefits due to terminated participants but not paid was \$1,446,650 as of December 31, 2018.

Accounting for Uncertainty in Income Taxes 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 Plan has taken an uncertain position that more likely than not would not be sustained upon examination. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

INDUSTRIAL ELECTRICAL CO. 401(K) PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Note 2 Summary of Accounting Policies (Continued)

Recent Accounting Pronouncement In August 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework-Changes to the Disclosure Requirements for Fair Value Measurement*, which modifies the disclosure requirements for fair value measurements by removing, modifying, or adding certain disclosures. ASU 2018-13 is effective for all entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. An entity is permitted to early adopt any removed or modified disclosures and delay adoption of the additional disclosures until their effective date. The adoption of ASU 2018-13 is not expected to have a material impact on the financial statements.

Use of Estimates The preparation of the 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 available for benefits and changes therein. Accordingly, actual results could differ from those estimates.

Subsequent Events In preparing these financial statements, the Plan has evaluated events and transactions for potential recognition or disclosure through October 3, 2019, the date the financial statements were available to be issued.

Note 3 Information Prepared and Certified by the Custodian

The following is a summary of the Plan's asset information as of December 31, 2018 and 2017, and for the year ended December 31, 2018, included throughout the Plan's financial statements and supplemental schedule, that was prepared by or derived from information provided by the custodian and furnished to the Plan Administrator. The Plan Administrator has obtained certifications from the custodian that information provided to the Plan Administrator by the custodian related to the following assets are complete and accurate. Accordingly, as permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to information which appears throughout the financial statements and supplemental schedule related to the following assets:

	<u>2018</u>	<u>2017</u>
Mutual funds	\$8,521,038	\$8,522,344
Common collective trust	89,992	71,173
Notes receivable from participants	169,578	131,225

The custodian also certified to the completeness and accuracy of \$691,969 of net depreciation in fair value, \$141,805 of interest and dividend income associated with the investments, and \$7,105 of interest income associated with notes receivable from participants for the year ended December 31, 2018.

Note 4 Transactions with Parties-In-Interest

Wells Fargo Bank, N.A., the Plan's custodian and Atherton & Associates, LLP, the Plan's independent auditor, are parties-in-interest according to Section 3(14) of ERISA.

INDUSTRIAL ELECTRICAL CO. 401(K) PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Note 5 Income Tax Status

The Plan adopted a pre-approved volume submitter profit sharing plan sponsored by Wells Fargo Bank, N.A. The pre-approved volume submitter profit sharing plan has received an opinion letter from the Internal Revenue Service dated March 31, 2014 as to the pre-approved volume submitter profit sharing plan's qualified status. The pre-approved volume submitter profit sharing plan opinion letter has been relied upon by this Plan. Therefore, the Plan Administrator believes the Plan is designed and is being operated in compliance with the applicable provisions of the Internal Revenue Code.

Note 6 Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

Note 7 Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

Note 8 Fair Value Measurements

The framework for measuring fair value 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). Valuation techniques maximize the use of relevant observable inputs and minimize the use unobservable inputs. The three levels of the fair value hierarchy are described below:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices in active markets for identical assets or liabilities that the Plan can access at the measurement date.
- Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, such as:
- 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 that are unobservable inputs for the asset or liability.

INDUSTRIAL ELECTRICAL CO. 401(K) PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Note 8 Fair Value Measurements (Continued)

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

There have been no changes in the methodologies used at December 31, 2018 and 2017. Following is a description of the valuation methodologies used for assets measured at fair value.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the U.S. Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Common collective trust: A stable value fund that is composed primarily of investment contracts and security backed contracts that is valued at the NAV of units of a bank collective trust. The NAV is used as a practical expedient to estimate fair value. The NAV 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 than the reported NAV. Participant transactions (purchases and sales) may occur daily. Were the Plan to initiate a full redemption of the collective trust, the investment adviser 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.

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

	December 31, 2018			<u>Total</u>
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	
Mutual funds	<u>\$8,521,038</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$8,521,038</u>
Total assets in the fair value hierarchy	<u>8,521,038</u>	<u>-</u>	<u>-</u>	<u>8,521,038</u>
Investments measured at net asset value (a)				<u>89,992</u>
Investments at fair value				<u>\$8,611,030</u>

INDUSTRIAL ELECTRICAL CO. 401(K) PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Note 8 Fair Value Measurements (Continued)

	December 31, 2017			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds	<u>\$8,522,344</u>	\$ _____ -	\$ _____ -	<u>\$8,522,344</u>
Total assets in the fair value hierarchy	<u>8,522,344</u>	_____ -	_____ -	8,522,344
Investments measured at net asset value (a)				<u>71,173</u>
Investments at fair value				<u>\$8,593,517</u>

- (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 amounts presented in this 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 following table summarizes investments for which fair value is measured using the net asset value per share practical expedient as of December 31, 2018 and 2017, respectively. There are no participant redemption restrictions for these investments; the redemption notice period is applicable only to the Plan.

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (if Currently Eligible)</u>	<u>Redemption Notice Period</u>
<u>December 31, 2018</u>				
Common collective trust	\$89,992	N/A	Daily	12 months
<u>December 31, 2017</u>				
Common collective trust	\$71,173	N/A	Daily	12 months

Note 9 Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements at December 31 to Form 5500:

	<u>2018</u>	<u>2017</u>
Net assets available for benefits per the financial statements	\$8,740,596	\$8,657,911
Earnings on prior year excess contributions payable	-	2,207
Current year excess contributions payable	<u>40,012</u>	<u>66,831</u>
Net assets available for benefits per the Form 5500	<u>\$8,780,608</u>	<u>\$8,726,949</u>

INDUSTRIAL ELECTRICAL CO. 401(K) PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Note 9 Reconciliation of Financial Statements to Form 5500 (Continued)

The following is a reconciliation of change in net assets per the financial statements for the year ended December 31, 2018 to Form 5500:

Net increase in net assets per the financial statements	\$ 82,685
Current year excess contributions payable	40,012
Prior year excess contributions payable	(66,831)
Earnings on prior year excess contributions payable	<u>(2,207)</u>
Net increase in net assets per the Form 5500	<u>\$ 53,659</u>

Note 10 Subsequent Events

Subsequent to year end, the Plan changed their custodian and third-party administrator to Empower Retirement effective May 2019.

**SUPPLEMENTAL SCHEDULE -
FORM 5500 PURPOSES**

INDUSTRIAL ELECTRICAL CO. 401(K) PROFIT SHARING PLAN

EIN 94-1231917

PLAN NUMBER 002

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS HELD AT END OF YEAR

DECEMBER 31, 2018

(a)	(b) Identity of Issuer, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
	* Wells Fargo Bank, N.A. - Hartford Balanced Income	Mutual Funds	N/A	\$ 311,252
	* Wells Fargo Bank, N.A. - Eaton Vance Income of Boston	Mutual Funds	N/A	78,361
	* Wells Fargo Bank, N.A. - Oppenheimer Intl Growth	Mutual Funds	N/A	122,870
	* Wells Fargo Bank, N.A. - Hartford Inflation Plus	Mutual Funds	N/A	67,604
	* Wells Fargo Bank, N.A. - MFS International Value	Mutual Funds	N/A	147,674
	* Wells Fargo Bank, N.A. - Principal MidCap	Mutual Funds	N/A	1,153,467
	* Wells Fargo Bank, N.A. - JP Morgan Large Cap Growth	Mutual Funds	N/A	377,083
	* Wells Fargo Bank, N.A. - BlackRock Equity Dividend	Mutual Funds	N/A	338,596
	* Wells Fargo Bank, N.A. - T. Rowe Price Health Sciences	Mutual Funds	N/A	123,219
	* Wells Fargo Bank, N.A. - Alliance Bernstein Global Bond	Mutual Funds	N/A	67,340
	* Wells Fargo Bank, N.A. - Goldman Sachs Technology	Mutual Funds	N/A	158,980
	* Wells Fargo Bank, N.A. - Columbia Emerging Markets Bond	Mutual Funds	N/A	135,048
	* Wells Fargo Bank, N.A. - American Century Equity Growth	Mutual Funds	N/A	784,809
	* Wells Fargo Bank, N.A. - MFS International New Discovery	Mutual Funds	N/A	235,543
	* Wells Fargo Bank, N.A. - T. Rowe Price Small Cap Stock	Mutual Funds	N/A	751,029
	* Wells Fargo Bank, N.A. - Virtus Real Estate Securities	Mutual Funds	N/A	168,682
	* Wells Fargo Bank, N.A. - Prudential Jennison Natural Resources	Mutual Funds	N/A	66,269
	* Wells Fargo Bank, N.A. - Franklin Strategic Income	Mutual Funds	N/A	1,067
	* Wells Fargo Bank, N.A. - Wells Fargo Advantage Core Bond	Mutual Funds	N/A	267,691
	* Wells Fargo Bank, N.A. - Wells Fargo Target 2020	Mutual Funds	N/A	724,720
	* Wells Fargo Bank, N.A. - Wells Fargo Target 2030	Mutual Funds	N/A	718,160
	* Wells Fargo Bank, N.A. - Wells Fargo Target 2040	Mutual Funds	N/A	844,588
	* Wells Fargo Bank, N.A. - Wells Fargo Target 2050	Mutual Funds	N/A	684,492
	* Wells Fargo Bank, N.A. - Wells Fargo Target 2060	Mutual Funds	N/A	187,979
	* Wells Fargo Bank, N.A. - Wells Fargo Target Today	Mutual Funds	N/A	4,515
	* Wells Fargo Bank, N.A. - Wells Fargo Stable Return	Common Collective Trust	N/A	89,992
	* Wells Fargo Bank, N.A. - Notes receivable from participants	Interest rates between 4.25% and 6.25%	N/A	169,578
				<u><u>\$ 8,780,608</u></u>

* Represents a party-in-interest.

The above information has been certified by Wells Fargo Bank, N.A.

**INDUSTRIAL ELECTRICAL CO.
401(K) PROFIT SHARING PLAN**

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018



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INDEPENDENT AUDITOR'S REPORT

October 3, 2019

Board of Directors
Industrial Electrical Co. 401(k) Profit Sharing Plan
Modesto, California

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Industrial Electrical Co. 401(k) Profit Sharing Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2018 and 2017, the related statement of changes in net assets available for benefits for the year ended December 31, 2018, 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 these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified or provided by Wells Fargo Bank, N.A., the custodian of the Plan, except for comparing this information with the related information included in the financial statements. We have been informed by the Plan Administrator that the custodian holds the Plan's assets and executes transactions. The Plan Administrator has obtained certifications from the custodian as of December 31, 2018 and 2017, and for the year ended December 31, 2018, that the information provided to the Plan Administrator by the custodian is complete and accurate.

Janet Pelton | Ron Ehrke | Scott Kerr | Loren Kuntz | Maria Stokman | Rebecca Terpstra | Craig Schaurer

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Disclaimer of Opinion

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

Other Matter

The supplemental schedule Schedule H, Line 4i – Schedule of Assets Held at End of Year as of December 31, 2018 is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purposes of additional analysis and is not a required part of the financial statements. The supplemental schedule is the responsibility of the Plan's management. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule.

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

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

Atherton & Associates, LLP

INDUSTRIAL ELECTRICAL CO. 401(K) PROFIT SHARING PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
ASSETS		
Investments, at fair value		
Mutual funds	\$ 8,521,038	\$ 8,522,344
Common collective trust	<u>89,992</u>	<u>71,173</u>
Total investments	<u>8,611,030</u>	<u>8,593,517</u>
Notes receivable from participants	<u>169,578</u>	<u>131,225</u>
TOTAL ASSETS	8,780,608	8,724,742
LIABILITIES, excess contributions payable	<u>40,012</u>	<u>66,831</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 8,740,596</u>	<u>\$ 8,657,911</u>

INDUSTRIAL ELECTRICAL CO. 401(K) PROFIT SHARING PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEAR ENDED DECEMBER 31, 2018

ADDITIONS TO NET ASSETS ATTRIBUTED TO:

Investment income, interest and dividend income	\$ 141,805
Interest income on notes receivable from participants	<u>7,105</u>
Contributions:	
Employee	1,006,844
Employer	120,419
Rollover	<u>44,303</u>
Total contributions	<u>1,171,566</u>
Total additions	<u>1,320,476</u>

DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:

Net depreciation in fair value of investments	691,969
Benefits paid to participants	499,628
Administrative expenses	<u>46,194</u>
Total deductions	<u>1,237,791</u>
Net increase in net assets	82,685

NET ASSETS AVAILABLE FOR BENEFITS

Beginning of year	<u>8,657,911</u>
End of year	<u><u>\$ 8,740,596</u></u>

NOTES TO FINANCIAL STATEMENTS

INDUSTRIAL ELECTRICAL CO. 401(K) PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Note 1 Description of the Plan

The following description of the Industrial Electrical Co. 401(k) Profit Sharing Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General The Plan is a participant directed defined contribution plan covering all full-time employees of Modesto Industrial Electrical Co., Inc. dba Industrial Electrical Co. and Industrial Automation Group, LLC (the Company), with the exception of employees covered under a collective bargaining agreement, who have attained age 18. At December 31, 2018, Industrial Automation Group, LLC was sold to a third party and their employees are no longer covered under the Plan effective January 2019. Employees can enter the Plan at the beginning of the month following date of hire. The Plan was restated effective January 1, 2016 to be in compliance with the rules and regulations of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan is subject to the provisions of ERISA. The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America.

Contributions Eligible employees of the Company may elect to contribute up to the applicable limits allowed under the Internal Revenue Code. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans (rollover). Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan includes an auto-enrollment provision whereby all newly eligible employees are automatically enrolled in the Plan unless they affirmatively elect not to participate in the Plan. Automatically enrolled participants have their deferral rate set at 6% of eligible compensation and their contributions invested in a designated balanced fund until changed by the participant. The Company may elect to make discretionary matching and profit sharing contributions that are not to exceed limits as defined by Internal Revenue Code.

Participant Accounts Each active participant's account is credited with the participant's contribution and allocation of (a) the Company's contribution, (b) plan earnings, and charged with an allocation of administrative expenses and (c) any forfeitures. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Notes Receivable from Participants Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account and bear interest between 4.25% to 6.25%. Loan terms, unless for the purchase of a principal residence, are not to exceed five years. Principal and interest are paid ratably through payroll deductions. Delinquent loans are treated as distributions based upon the terms of the plan document.

Payment of Benefits On termination of service due to death, disability, or retirement, a participant may elect to receive a lump-sum amount equal to the value of his or her account or rollover to another qualified plan. A participant may elect an in-service withdrawal or hardship distribution prior to his or her separation from service in accordance with the hardship distribution policy.

Investment Options Upon enrollment in the Plan, a participant may direct contributions into numerous investment choices offered by Wells Fargo Bank, N.A. Participants may change their investment options through a written request through the Company or via the Internet.

INDUSTRIAL ELECTRICAL CO. 401(K) PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Note 1 Description of the Plan (Continued)

Administrative Expenses Certain expenses to maintain the Plan are paid by the Plan, unless otherwise paid by the Company. Expenses that are paid by the Company are excluded from these financial statements. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net depreciation in fair value of investments.

Vesting Participants are immediately 100% vested in their elective deferrals, rollover contributions, and prevailing wage contributions. Participants are 100% vested in the Company discretionary and profit sharing contributions after six years of credited service (20% per year after two years of credited service). A participant is 100% vested after reaching normal retirement age, or upon death or disability.

Forfeitures At December 31, 2018 and 2017, forfeited non-fully vested accounts totaled \$3,367 and \$32,342, respectively. The Plan allocates forfeitures to reduce employer matching contributions or to pay Plan expenses.

Note 2 Summary of Accounting Policies

Basis of Accounting The financial statements are prepared on the accrual basis of accounting.

Investment Valuations 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 in an orderly transaction between market participants at the measurement date. The Company determines the Plan's valuation policies utilizing information provided by the investment advisors, custodians, or trustees.

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 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 are measured at their unpaid principal balance plus any accrued interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2018 or 2017.

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. The Plan distributed the 2018 and 2017 excess contributions in accordance with Plan provisions.

Payment of Benefits The Plan records benefits when paid. Total vested benefits due to terminated participants but not paid was \$1,446,650 as of December 31, 2018.

Accounting for Uncertainty in Income Taxes 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 Plan has taken an uncertain position that more likely than not would not be sustained upon examination. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

INDUSTRIAL ELECTRICAL CO. 401(K) PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Note 2 Summary of Accounting Policies (Continued)

Recent Accounting Pronouncement In August 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework-Changes to the Disclosure Requirements for Fair Value Measurement*, which modifies the disclosure requirements for fair value measurements by removing, modifying, or adding certain disclosures. ASU 2018-13 is effective for all entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. An entity is permitted to early adopt any removed or modified disclosures and delay adoption of the additional disclosures until their effective date. The adoption of ASU 2018-13 is not expected to have a material impact on the financial statements.

Use of Estimates The preparation of the 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 available for benefits and changes therein. Accordingly, actual results could differ from those estimates.

Subsequent Events In preparing these financial statements, the Plan has evaluated events and transactions for potential recognition or disclosure through October 3, 2019, the date the financial statements were available to be issued.

Note 3 Information Prepared and Certified by the Custodian

The following is a summary of the Plan's asset information as of December 31, 2018 and 2017, and for the year ended December 31, 2018, included throughout the Plan's financial statements and supplemental schedule, that was prepared by or derived from information provided by the custodian and furnished to the Plan Administrator. The Plan Administrator has obtained certifications from the custodian that information provided to the Plan Administrator by the custodian related to the following assets are complete and accurate. Accordingly, as permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to information which appears throughout the financial statements and supplemental schedule related to the following assets:

	<u>2018</u>	<u>2017</u>
Mutual funds	\$8,521,038	\$8,522,344
Common collective trust	89,992	71,173
Notes receivable from participants	169,578	131,225

The custodian also certified to the completeness and accuracy of \$691,969 of net depreciation in fair value, \$141,805 of interest and dividend income associated with the investments, and \$7,105 of interest income associated with notes receivable from participants for the year ended December 31, 2018.

Note 4 Transactions with Parties-In-Interest

Wells Fargo Bank, N.A., the Plan's custodian and Atherton & Associates, LLP, the Plan's independent auditor, are parties-in-interest according to Section 3(14) of ERISA.

INDUSTRIAL ELECTRICAL CO. 401(K) PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Note 5 Income Tax Status

The Plan adopted a pre-approved volume submitter profit sharing plan sponsored by Wells Fargo Bank, N.A. The pre-approved volume submitter profit sharing plan has received an opinion letter from the Internal Revenue Service dated March 31, 2014 as to the pre-approved volume submitter profit sharing plan's qualified status. The pre-approved volume submitter profit sharing plan opinion letter has been relied upon by this Plan. Therefore, the Plan Administrator believes the Plan is designed and is being operated in compliance with the applicable provisions of the Internal Revenue Code.

Note 6 Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

Note 7 Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

Note 8 Fair Value Measurements

The framework for measuring fair value 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). Valuation techniques maximize the use of relevant observable inputs and minimize the use unobservable inputs. The three levels of the fair value hierarchy are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices in active markets for identical assets or liabilities that the Plan can access at the measurement date.

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, such as:

- 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 that are unobservable inputs for the asset or liability.

INDUSTRIAL ELECTRICAL CO. 401(K) PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Note 8 Fair Value Measurements (Continued)

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

There have been no changes in the methodologies used at December 31, 2018 and 2017. Following is a description of the valuation methodologies used for assets measured at fair value.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the U.S. Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Common collective trust: A stable value fund that is composed primarily of investment contracts and security backed contracts that is valued at the NAV of units of a bank collective trust. The NAV is used as a practical expedient to estimate fair value. The NAV 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 than the reported NAV. Participant transactions (purchases and sales) may occur daily. Were the Plan to initiate a full redemption of the collective trust, the investment adviser 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.

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

	December 31, 2018			<u>Total</u>
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	
Mutual funds	<u>\$8,521,038</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$8,521,038</u>
Total assets in the fair value hierarchy	<u>8,521,038</u>	<u>-</u>	<u>-</u>	<u>8,521,038</u>
Investments measured at net asset value (a)				<u>89,992</u>
Investments at fair value				<u>\$8,611,030</u>

INDUSTRIAL ELECTRICAL CO. 401(K) PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Note 8 Fair Value Measurements (Continued)

	December 31, 2017			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds	<u>\$8,522,344</u>	\$ _____ -	\$ _____ -	<u>\$8,522,344</u>
Total assets in the fair value hierarchy	<u>8,522,344</u>	_____ -	_____ -	8,522,344
Investments measured at net asset value (a)				<u>71,173</u>
Investments at fair value				<u>\$8,593,517</u>

- (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 amounts presented in this 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 following table summarizes investments for which fair value is measured using the net asset value per share practical expedient as of December 31, 2018 and 2017, respectively. There are no participant redemption restrictions for these investments; the redemption notice period is applicable only to the Plan.

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (if Currently Eligible)</u>	<u>Redemption Notice Period</u>
<u>December 31, 2018</u>				
Common collective trust	\$89,992	N/A	Daily	12 months
<u>December 31, 2017</u>				
Common collective trust	\$71,173	N/A	Daily	12 months

Note 9 Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements at December 31 to Form 5500:

	<u>2018</u>	<u>2017</u>
Net assets available for benefits per the financial statements	\$8,740,596	\$8,657,911
Earnings on prior year excess contributions payable	-	2,207
Current year excess contributions payable	<u>40,012</u>	<u>66,831</u>
Net assets available for benefits per the Form 5500	<u>\$8,780,608</u>	<u>\$8,726,949</u>

INDUSTRIAL ELECTRICAL CO. 401(K) PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Note 9 Reconciliation of Financial Statements to Form 5500 (Continued)

The following is a reconciliation of change in net assets per the financial statements for the year ended December 31, 2018 to Form 5500:

Net increase in net assets per the financial statements	\$ 82,685
Current year excess contributions payable	40,012
Prior year excess contributions payable	(66,831)
Earnings on prior year excess contributions payable	<u>(2,207)</u>
Net increase in net assets per the Form 5500	<u>\$ 53,659</u>

Note 10 Subsequent Events

Subsequent to year end, the Plan changed their custodian and third-party administrator to Empower Retirement effective May 2019.

**SUPPLEMENTAL SCHEDULE -
FORM 5500 PURPOSES**

INDUSTRIAL ELECTRICAL CO. 401(K) PROFIT SHARING PLAN

EIN 94-1231917

PLAN NUMBER 002

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS HELD AT END OF YEAR

DECEMBER 31, 2018

(a)	(b) Identity of Issuer, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
	* Wells Fargo Bank, N.A. - Hartford Balanced Income	Mutual Funds	N/A	\$ 311,252
	* Wells Fargo Bank, N.A. - Eaton Vance Income of Boston	Mutual Funds	N/A	78,361
	* Wells Fargo Bank, N.A. - Oppenheimer Intl Growth	Mutual Funds	N/A	122,870
	* Wells Fargo Bank, N.A. - Hartford Inflation Plus	Mutual Funds	N/A	67,604
	* Wells Fargo Bank, N.A. - MFS International Value	Mutual Funds	N/A	147,674
	* Wells Fargo Bank, N.A. - Principal MidCap	Mutual Funds	N/A	1,153,467
	* Wells Fargo Bank, N.A. - JP Morgan Large Cap Growth	Mutual Funds	N/A	377,083
	* Wells Fargo Bank, N.A. - BlackRock Equity Dividend	Mutual Funds	N/A	338,596
	* Wells Fargo Bank, N.A. - T. Rowe Price Health Sciences	Mutual Funds	N/A	123,219
	* Wells Fargo Bank, N.A. - Alliance Bernstein Global Bond	Mutual Funds	N/A	67,340
	* Wells Fargo Bank, N.A. - Goldman Sachs Technology	Mutual Funds	N/A	158,980
	* Wells Fargo Bank, N.A. - Columbia Emerging Markets Bond	Mutual Funds	N/A	135,048
	* Wells Fargo Bank, N.A. - American Century Equity Growth	Mutual Funds	N/A	784,809
	* Wells Fargo Bank, N.A. - MFS International New Discovery	Mutual Funds	N/A	235,543
	* Wells Fargo Bank, N.A. - T. Rowe Price Small Cap Stock	Mutual Funds	N/A	751,029
	* Wells Fargo Bank, N.A. - Virtus Real Estate Securities	Mutual Funds	N/A	168,682
	* Wells Fargo Bank, N.A. - Prudential Jennison Natural Resources	Mutual Funds	N/A	66,269
	* Wells Fargo Bank, N.A. - Franklin Strategic Income	Mutual Funds	N/A	1,067
	* Wells Fargo Bank, N.A. - Wells Fargo Advantage Core Bond	Mutual Funds	N/A	267,691
	* Wells Fargo Bank, N.A. - Wells Fargo Target 2020	Mutual Funds	N/A	724,720
	* Wells Fargo Bank, N.A. - Wells Fargo Target 2030	Mutual Funds	N/A	718,160
	* Wells Fargo Bank, N.A. - Wells Fargo Target 2040	Mutual Funds	N/A	844,588
	* Wells Fargo Bank, N.A. - Wells Fargo Target 2050	Mutual Funds	N/A	684,492
	* Wells Fargo Bank, N.A. - Wells Fargo Target 2060	Mutual Funds	N/A	187,979
	* Wells Fargo Bank, N.A. - Wells Fargo Target Today	Mutual Funds	N/A	4,515
	* Wells Fargo Bank, N.A. - Wells Fargo Stable Return	Common Collective Trust	N/A	89,992
	* Wells Fargo Bank, N.A. - Notes receivable from participants	Interest rates between 4.25% and 6.25%	N/A	169,578
				<u><u>\$ 8,780,608</u></u>

* Represents a party-in-interest.

The above information has been certified by Wells Fargo Bank, N.A.