# Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

**2018**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

**A** This return/report is for:
- [ ] a multiemployer plan
- [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- [X] a single-employer plan
- [ ] a DFE (specify) ____

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

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

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

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

**1a** Name of plan
VERIDIAM, INC. RETIREMENT SAVINGS PLAN

**1b** Three-digit plan number (PN) ▶ 001

**1c** Effective date of plan 07/01/2005

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

1717 CUYAMACA STREET
EL CAJON, CA 92020

**2b** Employer Identification Number (EIN)
51-0374739

**2c** Plan Sponsor's telephone number
619-448-1000

**2d** Business code (see instructions)
332900

**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. | 10/10/2019 | MATT CARPENTER |
| | **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 |

| | | | |
|---|---|---|---|
| **3a** | Plan administrator's name and address [X] Same as Plan Sponsor | **3b** | Administrator's EIN |
| | | **3c** | Administrator's telephone number |
| **4** | If the name and/or EIN of the plan sponsor 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:<br>**a** Sponsor's name<br>**c** Plan Name | **4b** | EIN |
| | | **4d** | PN |

| | | | |
|---|---|---|---|
| **5** | Total number of participants at the beginning of the plan year | **5** | 191 |
| **6** | Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**). | | |
| **a(1)** | Total number of active participants at the beginning of the plan year | **6a(1)** | 100 |
| **a(2)** | Total number of active participants at the end of the plan year | **6a(2)** | 121 |
| **b** | Retired or separated participants receiving benefits | **6b** | 0 |
| **c** | Other retired or separated participants entitled to future benefits | **6c** | 89 |
| **d** | Subtotal. Add lines **6a(2)**, **6b**, and **6c** | **6d** | 210 |
| **e** | Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. | **6e** | 0 |
| **f** | Total. Add lines **6d** and **6e**. | **6f** | 210 |
| **g** | Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | 194 |
| **h** | Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 0 |
| **7** | Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | **7** | |

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

2E 2F 2G 2J 2K 3D

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

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

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

**a Pension Schedules**

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

**b General Schedules**

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

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

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

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

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

**11c** Enter the Receipt Confirmation Code for the 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_____

# SCHEDULE A (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Insurance Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

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

▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

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
VERIDIAM, INC. RETIREMENT SAVINGS PLAN

**B** Three-digit plan number (PN) ▶ 001

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

**D** Employer Identification Number (EIN)
51-0374739

**Part I** **Information Concerning Insurance Contract Coverage, Fees, and Commissions** Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.

**1** Coverage Information:

**(a)** Name of insurance carrier
VOYA RETIREMENT INSURANCE AND ANNUITY COMPANY

| (b) EIN | (c) NAIC code | (d) Contract or identification number | (e) Approximate number of persons covered at end of policy or contract year | Policy or contract year | |
|---|---|---|---|---|---|
| | | | | (f) From | (g) To |
| 71-0294708 | 86509 | PHX477 | 194 | 01/01/2018 | 12/31/2018 |

**2** Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

| (a) Total amount of commissions paid | (b) Total amount of fees paid |
|---|---|
| 31504 | 0 |

**3** Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

LOCKTON FINANCIAL ADVISORS LLC
444 W 47TH ST STE 900
KANSAS CITY, MO 64112

| (b) Amount of sales and base commissions paid | Fees and other commissions paid | | |
|---|---|---|---|
| | (c) Amount | (d) Purpose | (e) Organization code |
| 31504 | | | 3 |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| (b) Amount of sales and base commissions paid | Fees and other commissions paid | | |
|---|---|---|---|
| | (c) Amount | (d) Purpose | (e) Organization code |
| | | | |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| **(b)** Amount of sales and base commissions paid | Fees and other commissions paid | | **(e)** Organization code |
|---|---|---|---|
| | **(c)** Amount | **(d)** Purpose | |
| | | | |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| **(b)** Amount of sales and base commissions paid | Fees and other commissions paid | | **(e)** Organization code |
|---|---|---|---|
| | **(c)** Amount | **(d)** Purpose | |
| | | | |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| **(b)** Amount of sales and base commissions paid | Fees and other commissions paid | | **(e)** Organization code |
|---|---|---|---|
| | **(c)** Amount | **(d)** Purpose | |
| | | | |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| **(b)** Amount of sales and base commissions paid | Fees and other commissions paid | | **(e)** Organization code |
|---|---|---|---|
| | **(c)** Amount | **(d)** Purpose | |
| | | | |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| **(b)** Amount of sales and base commissions paid | Fees and other commissions paid | | **(e)** Organization code |
|---|---|---|---|
| | **(c)** Amount | **(d)** Purpose | |
| | | | |

## Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

| | | | |
|---|---|---|---|
| 4 | Current value of plan's interest under this contract in the general account at year end | 4 | 5187959 |
| 5 | Current value of plan's interest under this contract in separate accounts at year end | 5 | 8910791 |

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

| | | | |
|---|---|---|---|
| b | Premiums paid to carrier | 6b | |
| c | Premiums due but unpaid at the end of the year | 6c | |
| d | If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. | 6d | |

Specify nature of costs ▶

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity

(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐

7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee

(3) ☐ guaranteed investment (4) ☒ other ▶ GROUP PENSION FUNDING

| | | | | | |
|---|---|---|---|---|---|
| b | Balance at the end of the previous year | | | 7b | 5254548 |
| c | Additions: (1) Contributions deposited during the year | 7c(1) | 119984 | | |
| | (2) Dividends and credits | 7c(2) | | | |
| | (3) Interest credited during the year | 7c(3) | 156615 | | |
| | (4) Transferred from separate account | 7c(4) | | | |
| | (5) Other (specify below) | 7c(5) | 29611 | | |
| | ▶ * | | | | |
| | (6) Total additions | | | 7c(6) | 306210 |
| d | Total of balance and additions (add lines **7b** and **7c(6)**). | | | 7d | 5560758 |
| e | Deductions: | | | | |
| | (1) Disbursed from fund to pay benefits or purchase annuities during year | 7e(1) | 293702 | | |
| | (2) Administration charge made by carrier | 7e(2) | 771 | | |
| | (3) Transferred to separate account | 7e(3) | 30046 | | |
| | (4) Other (specify below) | 7e(4) | 48280 | | |
| | ▶ * | | | | |
| | (5) Total deductions | | | 7e(5) | 372799 |
| f | Balance at the end of the current year (subtract line **7e(5)** from line **7d**) | | | 7f | 5187959 |

## Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

**8** Benefit and contract type (check all applicable boxes)

**a** ☐ Health (other than dental or vision) **b** ☐ Dental **c** ☐ Vision **d** ☐ Life insurance
**e** ☐ Temporary disability (accident and sickness) **f** ☐ Long-term disability **g** ☐ Supplemental unemployment **h** ☐ Prescription drug
**i** ☐ Stop loss (large deductible) **j** ☐ HMO contract **k** ☐ PPO contract **l** ☐ Indemnity contract
**m** ☐ Other (specify) ▶

| | | | | |
|---|---|---|---|---|
| **9** Experience-rated contracts: | | | | |
| **a** Premiums: (1) Amount received | **9a(1)** | | | |
| (2) Increase (decrease) in amount due but unpaid | **9a(2)** | | | |
| (3) Increase (decrease) in unearned premium reserve | **9a(3)** | | | |
| (4) Earned (**(1)** + **(2)** - **(3)**) | | | **9a(4)** | |
| **b** Benefit charges (1) Claims paid | **9b(1)** | | | |
| (2) Increase (decrease) in claim reserves | **9b(2)** | | | |
| (3) Incurred claims (add **(1)** and **(2)**) | | | **9b(3)** | |
| (4) Claims charged | | | **9b(4)** | |
| **c** Remainder of premium: (1) Retention charges (on an accrual basis) -- | | | | |
| (A) Commissions | **9c(1)(A)** | | | |
| (B) Administrative service or other fees | **9c(1)(B)** | | | |
| (C) Other specific acquisition costs | **9c(1)(C)** | | | |
| (D) Other expenses | **9c(1)(D)** | | | |
| (E) Taxes | **9c(1)(E)** | | | |
| (F) Charges for risks or other contingencies | **9c(1)(F)** | | | |
| (G) Other retention charges | **9c(1)(G)** | | | |
| (H) Total retention | | | **9c(1)(H)** | |
| (2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.) | | | **9c(2)** | |
| **d** Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement | | | **9d(1)** | |
| (2) Claim reserves | | | **9d(2)** | |
| (3) Other reserves | | | **9d(3)** | |
| **e** Dividends or retroactive rate refunds due. (Do not include amount entered in line **9c(2)**.) | | | **9e** | |
| **10** Nonexperience-rated contracts: | | | | |
| **a** Total premiums or subscription charges paid to carrier | | | **10a** | |
| **b** If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount. Specify nature of costs. | | | **10b** | |

## Part IV Provision of Information

**11** Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

**12** If the answer to line 11 is "Yes," specify the information not provided. ▶

| SCHEDULE C (Form 5500) | Service Provider Information | OMB No. 1210-0110 |
|---|---|---|
| Department of the Treasury<br>Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br>▶ **File as an attachment to Form 5500.** | **2018**<br>**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
VERIDIAM, INC. RETIREMENT SAVINGS PLAN

**B** Three-digit plan number (PN) ▶ 001

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

**D** Employer Identification Number (EIN)
51-0374739

## Part I Service Provider Information (see instructions)

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

### 1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

VOYA RETIREMENT INSURANCE & ANNUITY

71-0294708

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## Part I Service Provider Information (continued)

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

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

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

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

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

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

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

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

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

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

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

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

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

(complete as many entries as needed)

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

# SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

## DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

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

OMB No. 1210-0110

**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
VERIDIAM, INC. RETIREMENT SAVINGS PLAN

**B** Three-digit plan number (PN) ▶ 001

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

**D** Employer Identification Number (EIN)
51-0374739

**Part I** **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

**a** Name of MTIA, CCT, PSA, or 103-12 IE: VARIABLE ANNUITY ACCOUNT D

**b** Name of sponsor of entity listed in (a): VOYA RETIREMENT INSURANCE & ANNUITY CO

| **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) |
|---|---|---|
| 71-0294708-000 | P | 8910791 |

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

| | |
|---|---|
| **a** Plan name | |
| **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)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Financial Information

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

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

OMB No. 1210-0110

**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
VERIDIAM, INC. RETIREMENT SAVINGS PLAN

**B** Three-digit plan number (PN) ▶ 001

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

**D** Employer Identification Number (EIN)
51-0374739

## Part I Asset and Liability Statement

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

| Assets | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **a** Total noninterest-bearing cash | 1a | | |
| **b** Receivables (less allowance for doubtful accounts): | | | |
| **(1)** Employer contributions | 1b(1) | | |
| **(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) | 309549 | 369338 |
| **(9)** Value of interest in common/collective trusts | 1c(9) | | |
| **(10)** Value of interest in pooled separate accounts | 1c(10) | | |
| **(11)** Value of interest in master trust investment accounts | 1c(11) | | |
| **(12)** Value of interest in 103-12 investment entities | 1c(12) | | |
| **(13)** Value of interest in registered investment companies (e.g., mutual funds) | 1c(13) | 10509137 | 8910791 |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | 5254548 | 5187959 |
| **(15)** Other | 1c(15) | | |

| | | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|---|
| **1d** | Employer-related investments: | | | |
| | **(1)** Employer securities | 1d(1) | | |
| | **(2)** Employer real property | 1d(2) | | |
| **e** | Buildings and other property used in plan operation | 1e | | |
| **f** | Total assets (add all amounts in lines 1a through 1e) | 1f | 16073234 | 14468088 |
| | **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 through1j) | 1k | 0 | 0 |
| | **Net Assets** | | | |
| **l** | Net assets (subtract line 1k from line 1f) | 1l | 16073234 | 14468088 |

## 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) | 217546 | |
| | **(B)** Participants | 2a(1)(B) | 590288 | |
| | **(C)** Others (including rollovers) | 2a(1)(C) | 191858 | |
| | **(2)** Noncash contributions | 2a(2) | | |
| | **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 999692 |
| **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) | 13343 | |
| | **(F)** Other | 2b(1)(F) | 154200 | |
| | **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 167543 |
| | **(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) | 5644 | |
| | **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | 5644 |
| | **(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) | | |
| (7) Net investment gain (loss) from pooled separate accounts | 2b(7) | | -657688 |
| (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) | | |
| c Other income | 2c | | 331 |
| d Total income. Add all **income** amounts in column (b) and enter total | 2d | | 515522 |
| **Expenses** | | | |
| e Benefit payment and payments to provide benefits: | | | |
| (1) Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 2116730 | |
| (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) | | 2116730 |
| f Corrective distributions (see instructions) | 2f | | |
| g Certain deemed distributions of participant loans (see instructions) | 2g | | 788 |
| 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) | 3150 | |
| (5) Total administrative expenses. Add lines **2i(1)** through **(4)** | 2i(5) | | 3150 |
| j Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 2120668 |
| **Net Income and Reconciliation** | | | |
| k Net income (loss). Subtract line **2j** from line **2d** | 2k | | -1605146 |
| l Transfers of assets: | | | |
| (1) To this plan | 2l(1) | | |
| (2) From this plan | 2l(2) | | |

## Part III Accountant's Opinion

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

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

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

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

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

**(1)** Name: DOWNEY & COMPANY, LLP **(2)** EIN: 43-3106302

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

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

## Part IV Compliance Questions

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

During the plan year:

| | | Yes | No | Amount |
|---|---|---|---|---|
| **a** Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) | 4a | | X | |
| **b** Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) | 4b | | X | |

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

**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.**

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

**A** Name of plan
VERIDIAM, INC. RETIREMENT SAVINGS PLAN

**B** Three-digit plan number (PN) ▶ 001

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

**D** Employer Identification Number (EIN)
51-0374739

## Part I Distributions

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

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

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

EIN(s): 71-0294708

**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**

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

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

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

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

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

## Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

**a** Name of contributing employer

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

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

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

---

**a** Name of contributing employer

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

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

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

---

**a** Name of contributing employer

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

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

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

---

**a** Name of contributing employer

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

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

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

---

**a** Name of contributing employer

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

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

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

---

**a** Name of contributing employer

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

# Veridiam, Inc. Retirement Savings Plan

**Financial Statements**

**December 31, 2018 and 2017**

DOWNEY & COMPANY, LLP

CERTIFIED PUBLIC ACCOUNTANTS

# Independent Auditor's Report

To the Plan Administrators of
Veridiam, Inc. Retirement Savings Plan
El Cajon, California

## Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Veridiam, Inc. Retirement Savings Plan (the "Plan"), which comprise the Statements of Net Assets Available for Benefits as of December 31, 2018 and 2017, and 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 4, which was certified by Voya Retirement Insurance and Annuity Company, the asset custodian for the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the asset custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the asset 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 asset custodian is complete and accurate.

## Disclaimer of Opinion

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

**Other Matter**

We were engaged for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of the 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 purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule referred to above.

**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 by the asset 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.

Downey & Company LLP

DOWNEY & COMPANY, LLP

October 7, 2019

**Veridiam, Inc. Retirement Savings Plan**
Statements of Net Assets Available for Benefits
December 31, 2018 and 2017

| **ASSETS** | **2018** | **2017** |
|---|---|---|
| Participant Directed Investments: | | |
| Registered Investment Companies | $ 8,910,791 | $ 10,509,137 |
| Investment Contract with Insurance Company, At Contract Value | 5,187,959 | 5,254,548 |
| Total Investments | 14,098,750 | 15,763,685 |
| Receivables: | | |
| Participant Notes Receivable | 370,126 | 309,549 |
| Total Assets | 14,468,876 | 16,073,234 |
| **LIABILITIES** | 0 | 0 |
| **NET ASSETS AVAILABLE FOR BENEFITS** | $ 14,468,876 | $ 16,073,234 |

See Accompanying Notes.

**Veridiam, Inc. Retirement Savings Plan**
Statement of Changes in Net Assets Available for Benefits
For the Year Ended December 31, 2018

| | | |
|---|---|---|
| **ADDITIONS TO NET ASSETS ATTRIBUTED TO:** | | |
| Investment Income (Loss): | | |
| Depreciation in Fair Value of Investments, Including Reinvested Dividends | $ | (657,687) |
| Interest Income | | 159,844 |
| Net Investment Loss | | (497,843) |
| Contributions and Other Additions: | | |
| Participant Contributions | | 590,288 |
| Rollover Contributions | | 191,858 |
| Employer Contributions | | 217,546 |
| Interest Income from Notes Receivable from Participants | | 13,343 |
| Other Income | | 331 |
| Total Contributions and Other Additions | | 1,013,366 |
| Total Additions | | 515,523 |
| **DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:** | | |
| Benefits Paid to Participants | | 2,116,731 |
| Administrative Fees | | 3,150 |
| Total Deductions | | 2,119,881 |
| Net Decrease | | (1,604,358) |
| **NET ASSETS AVAILABLE FOR BENEFITS:** | | |
| Beginning of Year | | 16,073,234 |
| End of Year | $ | 14,468,876 |

See Accompanying Notes.

## Note 1 - Description of Plan

The following description of the Veridiam, Inc. Retirement Savings 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 defined contribution plan covering all employees of Veridiam, Inc. (the 'Company"). There is no age or service requirement. Individuals are eligible to participate on their first day of employment with the Company. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

### Contributions

Each year, participants may contribute up to 75% of pretax annual compensation up to the maximum amount allowed by the IRS, including catch-up contributions for participants aged 50 or older, as defined in the Plan. Effective January 1, 2016, 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 four (4) percent of eligible compensation with a rate escalator of two (2) percent until a maximum of eight (8) percent is reached or until changed by the participant. Participants may also make discretionary after-tax contributions and contribute amounts representing distributions from other qualified plans, subject to the rules of the Plan. The Company has the option of making discretionary matching and or profit-sharing contributions. The Company is not required to make these contributions. Contributions are subject to certain limitations.

### Participants' Accounts

Each participant's account is credited with the participant's contribution and allocations of (a) the Company's contribution(s) and, (b) Plan earnings or losses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

### Vesting

Participants are immediately vested in all contributions, including any discretionary Company contributions, plus actual earnings thereon.

### Forfeited Accounts

Because participants are immediately vested in all contributions, including any discretionary Company contributions, there are no forfeitures. Therefore, as of December 31, 2018 and 2017, forfeited non-vested accounts totaled $0 and $0, respectively.

### Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum of $50,000 or fifty (50) percent of their vested interest. Loan transactions are treated as a transfer to (from) the investment fund from (to) the Participant Notes fund. Loan terms range to a maximum of five (5) years (the term may be extended for acquisition of a principal residence); however, the term of any loan may not extend beyond the participant's normal retirement date, as defined in the Plan. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with regional bank notes for similar loans. Principal and interest are paid ratably through weekly payroll deductions. Interest rates range from 4.25% to 8.0%.

### Payment of Benefits

On termination of service due to death, disability, retirement, or other reasons, a participant may receive a lump sum amount equal to the value of the participant's vested interest in his or her account. Participants may receive a lump sum distribution from their rollover accounts at any time.

## Note 2 - Summary of Significant Accounting Policies

### Basis of Accounting

The financial statements of the Plan are prepared under the accrual method of accounting.

**Investment Contract with Insurance Company**
The Plan invests in the Voya Fixed Fund which is a fully benefit responsive investment contract. Contributions are maintained in the insurance company's general account. The fund's primary investment objectives are to preserve principal, maintain a competitive interest rate, and provide daily liquidity at contract value for plan-permitted, participant-directed withdrawals. Contract value is generally equal to the principal amounts invested in the underlying investments, plus interest accrued at a crediting rate established under the contract, less any adjustment for withdrawals. Contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Statement of Net Assets Available for Benefits presents the contract value of the investment contracts. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis.

**Use of Estimates**
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

**Investment Valuation and Income Recognition**
The Plan's investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 6 for a discussion of fair value measurements.

Purchases and sales of investments are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Net gain (loss) on investments includes the Plan's gains and losses on investments bought and sold as well as held during the year.

**Payment of Benefits**
Benefits are recorded when paid.

**Operating Expenses**
Certain expenses of maintaining the Plan are paid by the Company.

**Note 3 - Funding Policy**

Participating employees may make elective contributions to the Plan, pursuant to Internal Revenue Code Section 401(k). Employer matching and profit-sharing contributions are discretionary. For the year ended December 31, 2018, the matching contributions paid by the employer was $217,546. No Company profit sharing contributions were made for the year ended December 31, 2018.

**Note 4 - Information Certified by Plan's Custodian**

The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's rules and regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the following investment information was certified by Voya Retirement Insurance and Annuity Company as complete and accurate and was not subjected to any auditing procedures performed by the independent public accountants:

| | | 12/31/18 (Unaudited) | | 12/31/17 (Unaudited) |
|---|---|---|---|---|
| **Investments:** | | | | |
| Registered Investment Companies, at Fair Value | $ | 8,910,791 | $ | 10,509,137 |
| Investment Contract with Insurance Company, at Contract Value | | 5,187,959 | | 5,254,548 |
| **Receivables:** | | | | |
| Participant Notes Receivable | $ | 370,126 | $ | 309,549 |
| **Investment Income:** | | | | |
| Depreciation in Fair Value of Investments | $ | (657,687) | | |
| Interest | | 159,844 | | |
| **Other Additions:** | | | | |
| Interest on Participant Notes Receivable | $ | 13,343 | | |

**Note 5 - Investments**

The Plan's investments are (were) administered by Voya Retirement Insurance and Annuity Company and held in a trust fund.

During 2018, the Plan's investments (including gains and losses on investments bought and sold, and dividends earned, as well as held during the year) depreciated in value by $(657,687).

**Note 6 - Fair Value Measurements**

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under US GAAP are described below:

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

Level 2 Inputs to the valuation methodology include:

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

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

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

The asset'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 used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

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

*Registered Investment Companies (Mutual Funds):* Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are registered with the 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 and are classified within Level I of the valuation hierarchy.

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

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2018 and 2017.

| | Assets at Fair Value as of December 31, 2018 | | | |
|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Total** |
| Registered Investment Companies: | $ 8,910,791 | $ - | $ - | $ 8,910,791 |
| Total Assets at Fair Value | $ 8,910,791 | $ - | $ - | $ 8,910,791 |

| | Assets at Fair Value as of December 31, 2017 | | | |
|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Total** |
| Registered Investment Companies: | $ 10,509,137 | $ - | $ - | $ 10,509,137 |
| Total Assets at Fair Value | $ 10,509,137 | $ - | $ - | $ 10,509,137 |

**Note 7 – Investment Contract with Insurance Company**

The Plan invests in Voya Fixed Fund which is a fully benefit responsive investment contract. Contributions are maintained in the insurance company's general account. The fund's primary investment objectives are to preserve principal, maintain a competitive interest rate, and provide daily liquidity at contract value for plan-permitted, participant-directed withdrawals. Contract value is generally equal to the principal amounts invested in the underlying investments, plus interest accrued at a crediting rate established under the contract, less any adjustment for withdrawals.

There are no reserves against contract value for credit risk of the contract issuer or otherwise. The crediting interest rate is based on a formula agreed upon by the issuer. For contracts entered into and funded prior to June 15, 2017, the rate is guaranteed to not be less than 3%. For all other contracts the fund the rate is guaranteed to not be less than 1.0%. The investment contract does not permit the insurance company to terminate the agreement prior to the scheduled maturity date.

Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. However, certain events may limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (1) amendments to the plan documents (including complete or partial plan termination or merger with another plan), (2) changes to plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the plan sponsor or other plan sponsor events (for example, divestures or spin-offs of a subsidiary), (4) the failure of the trust to

qualify for exemption from federal income taxes or any required prohibited transaction exemption under Employee Retirement Income Security Act of 1974.

At December 31, 2018, the Plan Sponsor believes the occurrence of an event that would limit the ability of the stable value fund to transact at contract value with the participants in the fund is not probable.

**Note 8 – Party-in-Interest and Related Party Transactions**

Certain Plan investments are shares of mutual funds and an investment contract with insurance company managed by Voya Retirement Insurance and Annuity Company. Voya is the asset custodian, as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions.

Participant notes receivable qualify as party-in-interest transactions as identified on Schedule H, Line 4i –Schedule of Assets (Held at End of Year).

The Company provides certain accounting and administrative services to the Plan for which no fees are charged. The Company also pays for certain recordkeeping fees for the Plan.

**Note 9 – 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 to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100 percent vested in their accounts.

**Note 10 - Tax Status**

The Company adopted a Prototype Standardized Profit Sharing 401(k) Plan with a cash or deferral arrangement which received a favorable opinion letter from the Internal Revenue Service (IRS) on September 1, 2014. The favorable opinion letter stated that the Plan is designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan Administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

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 (or asset) if the Plan has taken any uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2018, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

**Note 11 - 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 such changes could materially affect the amounts reported in the Statement of Net Assets Available for Benefits.

**Note 12- Reconciliation of Financial Statements to Form 5500**

| | 2018 | 2017 |
|---|---|---|
| Net Assets Available for Benefits per the Financial Statements | $ 14,468,876 | $ 16,073,234 |
| Less: Participant Loan Deemed But Not Offset During the Year | (788) | 0 |
| Net Assets Available for Benefits per Form 5500 | $ 14,468,088 | $ 16,073,234 |

| | 2018 |
|---|---|
| Decrease In Net Assets per the Financial Statements | $ (1,604,358) |
| Less: Participant Loan Deemed But Not Offset During the Year | (788) |
| Decrease In Net Assets per Form 5500 | $ (1,605,146) |

**Note 13 - Subsequent Events**

The Plan evaluated subsequent events through the date of the Auditor's Report, which is the date the financial statements were issued.

# SUPPLEMENTARY INFORMATION

**Veridiam, Inc. Retirement Savings Plan**
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
December 31, 2018

**EIN 04-2462613 - Plan No. 002**

| (a) | (b) Identity of Issue | (c) Description | (e) Current Value |
|---|---|---|---|
| | AF American Bal Fund - Class R-4 | Registered Investment Company | $ 280,441 |
| | AF EuroPacific Gr Fund - Class R-4 | Registered Investment Company | 391,915 |
| | Lazard Emerg Mkts Equity Portfolio-Open SHS | Registered Investment Company | 93,679 |
| | PIMCO Real Return Fund - Class R | Registered Investment Company | 0 |
| | T. Rowe Price Retirement 2005 Fund - R Class | Registered Investment Company | 0 |
| | T. Rowe Price Retirement 2010 Fund - R Class | Registered Investment Company | 1,841 |
| | T. Rowe Price Retirement 2015 Fund - R Class | Registered Investment Company | 401,183 |
| | T. Rowe Price Retirement 2020 Fund - R Class | Registered Investment Company | 33,445 |
| | T. Rowe Price Retirement 2025 Fund - R Class | Registered Investment Company | 1,029,236 |
| | T. Rowe Price Retirement 2030 Fund - R Class | Registered Investment Company | 70,586 |
| | T. Rowe Price Retirement 2035 Fund - R Class | Registered Investment Company | 397,185 |
| | T. Rowe Price Retirement 2040 Fund - R Class | Registered Investment Company | 252,562 |
| | T. Rowe Price Retirement 2045 Fund - R Class | Registered Investment Company | 631,211 |
| | T. Rowe Price Retirement 2050 Fund - R Class | Registered Investment Company | 57,399 |
| | T. Rowe Price Retirement 2055 Fund - R Class | Registered Investment Company | 124,683 |
| | T. Rowe Price Retirement 2060 Fund - R Class | Registered Investment Company | 9,476 |
| | Templeton Global Bond Fund - Class R | Registered Investment Company | 32,667 |
| * | VY Baron Growth Portfolio - Initial Class | Registered Investment Company | 474,009 |
| * | VY American Century Small-Mid Cap Value Portfolio | Registered Investment Company | 175,918 |
| * | VY JP Morgan Mid Cap Value Portfolio - Initial Cl | Registered Investment Company | 816,474 |
| * | VY Templeton Foreign Equity Portfolio - Initial Class | Registered Investment Company | 10,225 |
| * | Voya High Yield Portfolio - Service Class | Registered Investment Company | 26,099 |
| * | Voya Intermediate Bond Portfolio - Class I | Registered Investment Company | 240,485 |
| * | Voya Large Cap Growth Portfolio - Service Class | Registered Investment Company | 1,037,813 |
| * | Voya Russell Mid Cap Index Portfolio - Class I | Registered Investment Company | 438,166 |
| * | Voya Russell Small Cap Index Portfolio - Class I | Registered Investment Company | 245,720 |
| * | Voya U.S. Stock Index Portfolio - Institutional Class | Registered Investment Company | 939,469 |
| * | Voya Small Cap Opportunity Port I | Registered Investment Company | 8,946 |
| | Victory Integrity Sm-Cap Value Fund Y | Registered Investment Company | 59,143 |
| | Virtus Crdx Large Cap Value Equity Fund A | Registered Investment Company | 590,583 |
| * | VY Clarion RI Estate Prt Srv | Registered Investment Company | 40,232 |
| | Total Registered Investment Companies | | $ 8,910,791 |
| * | Investment Contract with Insurance Company, At Contract Value | | 5,187,959 |
| * | Participants' Notes Receivable, Interest Rates 4.25% to 8.0%, Maturities Through May, 2024 | | $ 369,338 |

* = *Party in Interest*

**Attachment to 2018 Form 5500**
## Schedule H, line 4i - Schedule of Assets
**(Held at End of Year)**
**Veridiam, Inc.**
**EIN#51-0374739**
**Plan#1**
**As Of December 31, 2018**

| (a) | (b) Identity of issue, borrower, lessor or similar party | (c) Description of investments including maturity date, rate of interest, collateral, par, or maturity date | (d)Cost | (e) Current Value |
|---|---|---|---|---|
| | American Funds Am Balanced R4 | Registered Investment Company | | $280,441 |
| | American Funds EuroPacific R4 | Registered Investment Company | | $391,915 |
| | Lazard Emrg Mkts Eqty Port Opn | Registered Investment Company | | $93,679 |
| | T Rowe Prc Rt 2005 F - R | Registered Investment Company | | $0 |
| | T Rowe Prc Rt 2010 F - R | Registered Investment Company | | $1,841 |
| | T Rowe Prc Rt 2015 F - R | Registered Investment Company | | $401,183 |
| | T Rowe Prc Rt 2020 F - R | Registered Investment Company | | $33,445 |
| | T Rowe Prc Rt 2025 F - R | Registered Investment Company | | $1,029,235 |
| | T Rowe Prc Rt 2030 F - R | Registered Investment Company | | $70,586 |
| | T Rowe Prc Rt 2035 F - R | Registered Investment Company | | $397,185 |
| | T Rowe Prc Rt 2040 F - R | Registered Investment Company | | $252,562 |
| | T Rowe Prc Rt 2045 F - R | Registered Investment Company | | $631,211 |
| | T Rowe Prc Rt 2050 F - R | Registered Investment Company | | $57,399 |
| | T Rowe Prc Rt 2055 F - R | Registered Investment Company | | $124,683 |
| | Templeton Global Bond Fund R | Registered Investment Company | | $32,667 |
| | TRwPr Retirement 2060 Fund R | Registered Investment Company | | $9,476 |
| | Victory Integrity SCp Vl Fd Y | Registered Investment Company | | $59,143 |
| | Virtus Crdx LC Vl Eq Fd A | Registered Investment Company | | $590,583 |
| * | Voya Gv Mny Mkt F A (Hld Acct) | Registered Investment Company | | $0 |
| * | Voya High Yield Port Srv | Registered Investment Company | | $26,099 |
| * | Voya Intermediate Bond Prt I | Registered Investment Company | | $240,485 |
| * | Voya Large Cap Growth Prt Srv | Registered Investment Company | | $1,037,812 |
| * | Voya Russell MdCp Indx Prt I | Registered Investment Company | | $438,166 |
| * | Voya Russell SmCp Indx Prt I | Registered Investment Company | | $245,720 |
| * | Voya SmCp Opport Port I | Registered Investment Company | | $8,946 |
| * | Voya US Stock Index Port Ins | Registered Investment Company | | $939,469 |
| * | VY AmCen Sm-MdCp Vl Port I | Registered Investment Company | | $175,918 |
| * | VY Baron Growth Port I | Registered Investment Company | | $474,009 |
| * | VY Clarion Rl Estate Prt Srv | Registered Investment Company | | $40,232 |
| * | VY JPM MdCp Value Port I | Registered Investment Company | | $816,474 |
| * | VY Templeton Frg Eqty Pt I | Registered Investment Company | | $10,225 |
| * | Voya Fixed Account | Insurance Company General Account | | $4,808,807 |
| * | Voya Fixed Account A | Insurance Company General Account | | $379,152 |
| | LOAN FUND | Participant Loans | | $369,338 |
| | TOTAL | | | $14,468,087 |

* denotes party-in-interest
Column (d) is not required as the Plan's investments are totally participant directed.

# Veridiam, Inc. Retirement Savings Plan

**Financial Statements**

**December 31, 2018 and 2017**

DOWNEY & COMPANY, LLP

CERTIFIED PUBLIC ACCOUNTANTS

# Independent Auditor's Report

To the Plan Administrators of
Veridiam, Inc. Retirement Savings Plan
El Cajon, California

## Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Veridiam, Inc. Retirement Savings Plan (the "Plan"), which comprise the Statements of Net Assets Available for Benefits as of December 31, 2018 and 2017, and 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 4, which was certified by Voya Retirement Insurance and Annuity Company, the asset custodian for the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the asset custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the asset 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 asset custodian is complete and accurate.

## Disclaimer of Opinion

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

**Other Matter**

We were engaged for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of the 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 purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule referred to above.

**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 by the asset 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.

Downey & Company LLP

DOWNEY & COMPANY, LLP

October 7, 2019

**Veridiam, Inc. Retirement Savings Plan**
Statements of Net Assets Available for Benefits
December 31, 2018 and 2017

| **ASSETS** | **2018** | **2017** |
|---|---|---|
| Participant Directed Investments: | | |
| Registered Investment Companies | $ 8,910,791 | $ 10,509,137 |
| Investment Contract with Insurance Company, At Contract Value | 5,187,959 | 5,254,548 |
| Total Investments | 14,098,750 | 15,763,685 |
| Receivables: | | |
| Participant Notes Receivable | 370,126 | 309,549 |
| Total Assets | 14,468,876 | 16,073,234 |
| **LIABILITIES** | 0 | 0 |
| **NET ASSETS AVAILABLE FOR BENEFITS** | $ 14,468,876 | $ 16,073,234 |

See Accompanying Notes.

**Veridiam, Inc. Retirement Savings Plan**
Statement of Changes in Net Assets Available for Benefits
For the Year Ended December 31, 2018

| | | |
|---|---|---|
| **ADDITIONS TO NET ASSETS ATTRIBUTED TO:** | | |
| Investment Income (Loss): | | |
| Depreciation in Fair Value of Investments, Including Reinvested Dividends | $ | (657,687) |
| Interest Income | | 159,844 |
| Net Investment Loss | | (497,843) |
| Contributions and Other Additions: | | |
| Participant Contributions | | 590,288 |
| Rollover Contributions | | 191,858 |
| Employer Contributions | | 217,546 |
| Interest Income from Notes Receivable from Participants | | 13,343 |
| Other Income | | 331 |
| Total Contributions and Other Additions | | 1,013,366 |
| Total Additions | | 515,523 |
| **DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:** | | |
| Benefits Paid to Participants | | 2,116,731 |
| Administrative Fees | | 3,150 |
| Total Deductions | | 2,119,881 |
| Net Decrease | | (1,604,358) |
| **NET ASSETS AVAILABLE FOR BENEFITS:** | | |
| Beginning of Year | | 16,073,234 |
| End of Year | $ | 14,468,876 |

See Accompanying Notes.

## Note 1 - Description of Plan

The following description of the Veridiam, Inc. Retirement Savings 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 defined contribution plan covering all employees of Veridiam, Inc. (the 'Company"). There is no age or service requirement. Individuals are eligible to participate on their first day of employment with the Company. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

### Contributions

Each year, participants may contribute up to 75% of pretax annual compensation up to the maximum amount allowed by the IRS, including catch-up contributions for participants aged 50 or older, as defined in the Plan. Effective January 1, 2016, 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 four (4) percent of eligible compensation with a rate escalator of two (2) percent until a maximum of eight (8) percent is reached or until changed by the participant. Participants may also make discretionary after-tax contributions and contribute amounts representing distributions from other qualified plans, subject to the rules of the Plan. The Company has the option of making discretionary matching and or profit-sharing contributions. The Company is not required to make these contributions. Contributions are subject to certain limitations.

### Participants' Accounts

Each participant's account is credited with the participant's contribution and allocations of (a) the Company's contribution(s) and, (b) Plan earnings or losses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

### Vesting

Participants are immediately vested in all contributions, including any discretionary Company contributions, plus actual earnings thereon.

### Forfeited Accounts

Because participants are immediately vested in all contributions, including any discretionary Company contributions, there are no forfeitures. Therefore, as of December 31, 2018 and 2017, forfeited non-vested accounts totaled $0 and $0, respectively.

### Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum of $50,000 or fifty (50) percent of their vested interest. Loan transactions are treated as a transfer to (from) the investment fund from (to) the Participant Notes fund. Loan terms range to a maximum of five (5) years (the term may be extended for acquisition of a principal residence); however, the term of any loan may not extend beyond the participant's normal retirement date, as defined in the Plan. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with regional bank notes for similar loans. Principal and interest are paid ratably through weekly payroll deductions. Interest rates range from 4.25% to 8.0%.

### Payment of Benefits

On termination of service due to death, disability, retirement, or other reasons, a participant may receive a lump sum amount equal to the value of the participant's vested interest in his or her account. Participants may receive a lump sum distribution from their rollover accounts at any time.

## Note 2 - Summary of Significant Accounting Policies

### Basis of Accounting

The financial statements of the Plan are prepared under the accrual method of accounting.

**Investment Contract with Insurance Company**
The Plan invests in the Voya Fixed Fund which is a fully benefit responsive investment contract. Contributions are maintained in the insurance company's general account. The fund's primary investment objectives are to preserve principal, maintain a competitive interest rate, and provide daily liquidity at contract value for plan-permitted, participant-directed withdrawals. Contract value is generally equal to the principal amounts invested in the underlying investments, plus interest accrued at a crediting rate established under the contract, less any adjustment for withdrawals. Contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Statement of Net Assets Available for Benefits presents the contract value of the investment contracts. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis.

**Use of Estimates**
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

**Investment Valuation and Income Recognition**
The Plan's investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 6 for a discussion of fair value measurements.

Purchases and sales of investments are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Net gain (loss) on investments includes the Plan's gains and losses on investments bought and sold as well as held during the year.

**Payment of Benefits**
Benefits are recorded when paid.

**Operating Expenses**
Certain expenses of maintaining the Plan are paid by the Company.

**Note 3 - Funding Policy**

Participating employees may make elective contributions to the Plan, pursuant to Internal Revenue Code Section 401(k). Employer matching and profit-sharing contributions are discretionary. For the year ended December 31, 2018, the matching contributions paid by the employer was $217,546. No Company profit sharing contributions were made for the year ended December 31, 2018.

**Note 4 - Information Certified by Plan's Custodian**

The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's rules and regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the following investment information was certified by Voya Retirement Insurance and Annuity Company as complete and accurate and was not subjected to any auditing procedures performed by the independent public accountants:

| | | 12/31/18 (Unaudited) | | 12/31/17 (Unaudited) |
|---|---|---|---|---|
| **Investments:** | | | | |
| Registered Investment Companies, at Fair Value | $ | 8,910,791 | $ | 10,509,137 |
| Investment Contract with Insurance Company, at Contract Value | | 5,187,959 | | 5,254,548 |
| **Receivables:** | | | | |
| Participant Notes Receivable | $ | 370,126 | $ | 309,549 |
| **Investment Income:** | | | | |
| Depreciation in Fair Value of Investments | $ | (657,687) | | |
| Interest | | 159,844 | | |
| **Other Additions:** | | | | |
| Interest on Participant Notes Receivable | $ | 13,343 | | |

**Note 5 - Investments**

The Plan's investments are (were) administered by Voya Retirement Insurance and Annuity Company and held in a trust fund.

During 2018, the Plan's investments (including gains and losses on investments bought and sold, and dividends earned, as well as held during the year) depreciated in value by $(657,687).

**Note 6 - Fair Value Measurements**

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under US GAAP are described below:

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

Level 2 Inputs to the valuation methodology include:

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

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

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

The asset'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 used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

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

*Registered Investment Companies (Mutual Funds):* Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are registered with the 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 and are classified within Level I of the valuation hierarchy.

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

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2018 and 2017.

| | Assets at Fair Value as of December 31, 2018 | | | |
|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Total** |
| Registered Investment Companies: | $ 8,910,791 | $ - | $ - | $ 8,910,791 |
| Total Assets at Fair Value | $ 8,910,791 | $ - | $ - | $ 8,910,791 |

| | Assets at Fair Value as of December 31, 2017 | | | |
|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Total** |
| Registered Investment Companies: | $ 10,509,137 | $ - | $ - | $ 10,509,137 |
| Total Assets at Fair Value | $ 10,509,137 | $ - | $ - | $ 10,509,137 |

**Note 7 – Investment Contract with Insurance Company**

The Plan invests in Voya Fixed Fund which is a fully benefit responsive investment contract. Contributions are maintained in the insurance company's general account. The fund's primary investment objectives are to preserve principal, maintain a competitive interest rate, and provide daily liquidity at contract value for plan-permitted, participant-directed withdrawals. Contract value is generally equal to the principal amounts invested in the underlying investments, plus interest accrued at a crediting rate established under the contract, less any adjustment for withdrawals.

There are no reserves against contract value for credit risk of the contract issuer or otherwise. The crediting interest rate is based on a formula agreed upon by the issuer. For contracts entered into and funded prior to June 15, 2017, the rate is guaranteed to not be less than 3%. For all other contracts the fund the rate is guaranteed to not be less than 1.0%. The investment contract does not permit the insurance company to terminate the agreement prior to the scheduled maturity date.

Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. However, certain events may limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (1) amendments to the plan documents (including complete or partial plan termination or merger with another plan), (2) changes to plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the plan sponsor or other plan sponsor events (for example, divestures or spin-offs of a subsidiary), (4) the failure of the trust to

qualify for exemption from federal income taxes or any required prohibited transaction exemption under Employee Retirement Income Security Act of 1974.

At December 31, 2018, the Plan Sponsor believes the occurrence of an event that would limit the ability of the stable value fund to transact at contract value with the participants in the fund is not probable.

**Note 8 – Party-in-Interest and Related Party Transactions**

Certain Plan investments are shares of mutual funds and an investment contract with insurance company managed by Voya Retirement Insurance and Annuity Company. Voya is the asset custodian, as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions.

Participant notes receivable qualify as party-in-interest transactions as identified on Schedule H, Line 4i –Schedule of Assets (Held at End of Year).

The Company provides certain accounting and administrative services to the Plan for which no fees are charged. The Company also pays for certain recordkeeping fees for the Plan.

**Note 9 – 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 to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100 percent vested in their accounts.

**Note 10 - Tax Status**

The Company adopted a Prototype Standardized Profit Sharing 401(k) Plan with a cash or deferral arrangement which received a favorable opinion letter from the Internal Revenue Service (IRS) on September 1, 2014. The favorable opinion letter stated that the Plan is designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan Administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

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 (or asset) if the Plan has taken any uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2018, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

**Note 11 - 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 such changes could materially affect the amounts reported in the Statement of Net Assets Available for Benefits.

**Note 12- Reconciliation of Financial Statements to Form 5500**

| | 2018 | 2017 |
|---|---|---|
| Net Assets Available for Benefits per the Financial Statements | $ 14,468,876 | $ 16,073,234 |
| Less: Participant Loan Deemed But Not Offset During the Year | (788) | 0 |
| Net Assets Available for Benefits per Form 5500 | $ 14,468,088 | $ 16,073,234 |

| | 2018 |
|---|---|
| Decrease In Net Assets per the Financial Statements | $ (1,604,358) |
| Less: Participant Loan Deemed But Not Offset During the Year | (788) |
| Decrease In Net Assets per Form 5500 | $ (1,605,146) |

**Note 13 - Subsequent Events**

The Plan evaluated subsequent events through the date of the Auditor's Report, which is the date the financial statements were issued.

# SUPPLEMENTARY INFORMATION

**Veridiam, Inc. Retirement Savings Plan**
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
December 31, 2018

**EIN 04-2462613 - Plan No. 002**

| (a) | (b) Identity of Issue | (c) Description | (e) Current Value |
|---|---|---|---|
| | AF American Bal Fund - Class R-4 | Registered Investment Company | $ 280,441 |
| | AF EuroPacific Gr Fund - Class R-4 | Registered Investment Company | 391,915 |
| | Lazard Emerg Mkts Equity Portfolio-Open SHS | Registered Investment Company | 93,679 |
| | PIMCO Real Return Fund - Class R | Registered Investment Company | 0 |
| | T. Rowe Price Retirement 2005 Fund - R Class | Registered Investment Company | 0 |
| | T. Rowe Price Retirement 2010 Fund - R Class | Registered Investment Company | 1,841 |
| | T. Rowe Price Retirement 2015 Fund - R Class | Registered Investment Company | 401,183 |
| | T. Rowe Price Retirement 2020 Fund - R Class | Registered Investment Company | 33,445 |
| | T. Rowe Price Retirement 2025 Fund - R Class | Registered Investment Company | 1,029,236 |
| | T. Rowe Price Retirement 2030 Fund - R Class | Registered Investment Company | 70,586 |
| | T. Rowe Price Retirement 2035 Fund - R Class | Registered Investment Company | 397,185 |
| | T. Rowe Price Retirement 2040 Fund - R Class | Registered Investment Company | 252,562 |
| | T. Rowe Price Retirement 2045 Fund - R Class | Registered Investment Company | 631,211 |
| | T. Rowe Price Retirement 2050 Fund - R Class | Registered Investment Company | 57,399 |
| | T. Rowe Price Retirement 2055 Fund - R Class | Registered Investment Company | 124,683 |
| | T. Rowe Price Retirement 2060 Fund - R Class | Registered Investment Company | 9,476 |
| | Templeton Global Bond Fund - Class R | Registered Investment Company | 32,667 |
| * | VY Baron Growth Portfolio - Initial Class | Registered Investment Company | 474,009 |
| * | VY American Century Small-Mid Cap Value Portfolio | Registered Investment Company | 175,918 |
| * | VY JP Morgan Mid Cap Value Portfolio - Initial Cl | Registered Investment Company | 816,474 |
| * | VY Templeton Foreign Equity Portfolio - Initial Class | Registered Investment Company | 10,225 |
| * | Voya High Yield Portfolio - Service Class | Registered Investment Company | 26,099 |
| * | Voya Intermediate Bond Portfolio - Class I | Registered Investment Company | 240,485 |
| * | Voya Large Cap Growth Portfolio - Service Class | Registered Investment Company | 1,037,813 |
| * | Voya Russell Mid Cap Index Portfolio - Class I | Registered Investment Company | 438,166 |
| * | Voya Russell Small Cap Index Portfolio - Class I | Registered Investment Company | 245,720 |
| * | Voya U.S. Stock Index Portfolio - Institutional Class | Registered Investment Company | 939,469 |
| * | Voya Small Cap Opportunity Port I | Registered Investment Company | 8,946 |
| | Victory Integrity Sm-Cap Value Fund Y | Registered Investment Company | 59,143 |
| | Virtus Crdx Large Cap Value Equity Fund A | Registered Investment Company | 590,583 |
| * | VY Clarion RI Estate Prt Srv | Registered Investment Company | 40,232 |
| | Total Registered Investment Companies | | $ 8,910,791 |
| * | Investment Contract with Insurance Company, At Contract Value | | 5,187,959 |
| * | Participants' Notes Receivable, Interest Rates 4.25% to 8.0%, Maturities Through May, 2024 | | $ 369,338 |

* = *Party in Interest*