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
AIR CONDITIONING INNOVATIVE SOLUTIONS 401(K) PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/07/2003

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)
AIR CONDITIONING INNOVATIVE SOLUTIONS

1028 N. MCDONALD
MCKINNEY, TX 75069

2b Employer Identification Number (EIN)
03-0425676

2c Plan Sponsor's telephone number
972-562-6507

2d Business code (see instructions)
238220

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.	10/11/2019	MIKE NICHOLS
	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:
a Sponsor's name
c Plan Name

4b EIN

4d PN

5 Total number of participants at the beginning of the plan year	**5**	147
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)**	138
a(2) Total number of active participants at the end of the plan year	**6a(2)**	151
b Retired or separated participants receiving benefits	**6b**	0
c Other retired or separated participants entitled to future benefits	**6c**	15
d Subtotal. Add lines **6a(2)**, **6b**, and **6c**	**6d**	166
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f Total. Add lines **6d** and **6e**.	**6f**	166
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	84
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 2T 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)

(1)	[X]	Insurance
(2)	[ ]	Code section 412(e)(3) insurance contracts
(3)	[X]	Trust
(4)	[ ]	General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)	[X]	Insurance
(2)	[ ]	Code section 412(e)(3) insurance contracts
(3)	[ ]	Trust
(4)	[ ]	General assets of the sponsor

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

a Pension Schedules

(1)	[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
AIR CONDITIONING INNOVATIVE SOLUTIONS 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
AIR CONDITIONING INNOVATIVE SOLUTIONS

D Employer Identification Number (EIN)
03-0425676

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
MASSMUTUAL LIFE INSURANCE CO.

(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
04-1590850	65935	GA-840031	84	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

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

(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	

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

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	(c) Amount	**(d)** Purpose	

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(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	2839
5	Current value of plan's interest under this contract in separate accounts at year end	5	6039197

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 ANNUITY CONTRACT

b	Balance at the end of the previous year			7b	571
c	Additions: (1) Contributions deposited during the year	7c(1)	3838		
	(2) Dividends and credits	7c(2)	0		
	(3) Interest credited during the year	7c(3)	481		
	(4) Transferred from separate account	7c(4)	810649		
	(5) Other (specify below)	7c(5)	22404		
	▶ LOAN PYMT,EXPENSE BUDGET ACC				
	(6)Total additions			7c(6)	837372
d	Total of balance and additions (add lines **7b** and **7c(6)**).			7d	837943
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	812564		
	(2) Administration charge made by carrier	7e(2)	111		
	(3) Transferred to separate account	7e(3)	0		
	(4) Other (specify below)	7e(4)	22429		
	▶ LOAN W/D,EBA PAYMENTS				
	(5) Total deductions			7e(5)	835104
f	Balance at the end of the current year (subtract line **7e(5)** from line **7d**)			7f	2839

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 Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**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
AIR CONDITIONING INNOVATIVE SOLUTIONS 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
AIR CONDITIONING INNOVATIVE SOLUTIONS

D Employer Identification Number (EIN)
03-0425676

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). . . . . ☐ 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

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

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

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

UBS FINANCIAL SERVICES INC

13-2638166

(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?
50	N/A	21915	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

MASSMUTUAL LIFE INSURANCE CO.

04-1590850

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 23 37 38 50 54 55 59 60 62 63 64 65 66 99	NONE	1824	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [X] No [ ]

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

MESIROW FINANCIAL INVESTMENT MANAGE

36-3429599

(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?
49	N/A	0	Yes [X] No [ ]	Yes [ ] No [X]	22	Yes [ ] No [X]

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
MASSMUTUAL LIFE INSURANCE CO.	15 23 37 38 50 54 55 59 60 62 63 64 65 66 99	0

(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.
SEE ATTACHED 04-1590850	SEE ATTACHED

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
MESIROW FINANCIAL INVESTMENT MANAGE	49	22

(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.
MASSACHUSETTS MUTUAL LIFE INS CO 04-1590850	SEE ATTACHED FORM 5500 SCHEDULE C REPORT

(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
AIR CONDITIONING INNOVATIVE SOLUTIONS 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
AIR CONDITIONING INNOVATIVE SOLUTIONS

D Employer Identification Number (EIN)
03-0425676

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: SEPARATE ACCOUNT SCAI

b Name of sponsor of entity listed in (a): MASSMUTUAL LIFE INSURANCE 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)
04-1590850-000	P	6039197

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
AIR CONDITIONING INNOVATIVE SOLUTIONS 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
AIR CONDITIONING INNOVATIVE SOLUTIONS

D Employer Identification Number (EIN)
03-0425676

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)	0	0
(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)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)	0	0
(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)	176927	155896
(9) Value of interest in common/collective trusts	1c(9)	0	0
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(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)	7085831	6039197
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	571	2839
(15) Other	1c(15)	0	0

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)	0	0
	(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	7263329	6197932
	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	7263329	6197932

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)	351575	
	(B) Participants	2a(1)(B)	492941	
	(C) Others (including rollovers)	2a(1)(C)	0	
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		844516
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	0	
	(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)	13630	
	(F) Other	2b(1)(F)	481	
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		14111
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)	0	
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		0
	(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)	0	
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		-506927
(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)		0
c Other income	2c		21915
d Total income. Add all **income** amounts in column (b) and enter total	2d		373615
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1393129	
(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)		1393129
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions)	2g		22143
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)	21916	
(2) Contract administrator fees	2i(2)	1824	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	0	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		23740
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		1439012
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		-1065397
l Transfers of assets:			
(1) To this plan	2l(1)		0
(2) From this plan	2l(2)		0

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: KELLEY GRIMES CPA (2) EIN: 38-3891554

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
AIR CONDITIONING INNOVATIVE SOLUTIONS 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
AIR CONDITIONING INNOVATIVE SOLUTIONS

D Employer Identification Number (EIN)
03-0425676

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): 04-1590850

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):

AIR CONDITIONING INNOVATIVE SOLUTIONS, INC
401(k) PLAN

Financial Statements

And

Independent Auditor's Report

For the Year Ending December 31, 2018

Kelly Grimes, CPA

Air Conditioning Innovative Solutions, Inc. 401(k) Plan

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For the Year Ended December 31, 2018

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Kelly Grimes, CPA

INDEPENDENT AUDITOR'S REPORT

To the Administrative Committee of
Air Conditioning Innovative Solutions, Inc. 401(k) Plan

Report on the Financial Statements

I was engaged to audit the accompanying financial statements of Air Conditioning Innovative Solutions, Inc. 401(k) Plan, which comprise the statements of net assets available for benefits as of December 31, 2018 and 2017, and the related statements of changes in net assets available for benefits for the years then ended, 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

My responsibility is to express an opinion on these financial statements based on conducting the audits 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, I was 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 me not to perform, and I did not perform, any auditing procedures with respect to the information summarized in Note E, which was certified by Mass Mutual, the trustee of the Plan, except for comparing the information with the related information included in the financial statements. I have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2018 and 2017, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

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

Other Matter

The supplemental schedules of Assets Held for Investment Purposes as of or for the year ended December 31, 2018 and 2017, are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, I do not express an opinion on the supplemental schedules referred to above.

Phone: 903-564-5806
Fax: 903-564-7886
info@kellygrimescpa.com

117 E MAIN ST STE 100
WHITESBORO, TX 76273

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 schedules, other than that derived from the information certified by the trustee, have been audited by me in accordance with auditing standards generally accepted in the United States of America and, in my 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.

Kelly Grimes, CPA

Whitesboro, Tx
August 15, 2019

FINANCIAL STATEMENTS

Air Conditioning Innovative Solutions, Inc. 401(k) Plan

Statement of Net Assets Available for Benefits

As of December 31, 2018 and December 31, 2017

	2018	2017
Assets		
Investments, at Fair Value:		
Mutual Funds	$ 6,039,196	$ 7,085,831
Group Annuity Contract	2,707	552
Total Investments	6,041,903	7,086,383
Receivables		
Notes Receivable From Participants	182,882	176,927
Total Assets	6,224,785	7,263,310
Liabilities		
Payable to Plan Sponsor	-	-
Total Liabilities	-	-
Net assets Reflecting Investments at Fair Value	6,224,785	7,263,310
Adjustment from Fair Value to Contract Value	132	19
Net Assets Available for Benefits	$ 6,224,917	$ 7,263,329

The accompanying notes are an integral part of these financial statements.

Air Conditioning Innovative Solutions, Inc. 401(k) Plan

Statement of Changes in Net Assets Available for Benefits

For the Years Ended December 31, 2018 and December 31, 2017

	2018	2017
Additions to Net Assets Attributed to:		
Contributions and Deferrals		
Employer Matching Contributions	$ 351,574	$ 296,811
Participants' Salary Deferrals	468,327	429,383
Rollover	-	82,952
Roth Contributions	24,614	9,796
Total Contributions and Deferrals	844,515	818,942
Investment Income		
Net Appreciation (Depreciation) in Fair Value of Investments	(506,448)	1,023,558
Other Income	21,916	-
Interest	13,630	9,990
Net Investment Income	(470,902)	1,033,548
Total Additions to net	373,613	1,852,490
Deductions from net Assets Attributed to:		
Benefits and Rollovers Paid to Participants	1,393,129	358,357
Administrative Expenses	21,915	14,633
Participant Paid Fees	1,824	1,008
Total Deductions from Net Assets	1,416,868	373,998
Net Increase (Decrease) in Net Assets	(1,043,255)	1,478,492
Net Assets Available for Benefits		
Beginning of Year	7,263,329	5,784,837
Prior Year Adjustment	4,843	
End of Year	$ 6,224,917	$ 7,263,329

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

NOTE A- Description of Plan

The following description of the Air Conditioning Innovative Solutions, Inc. 401(k) 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 with a salary deferral arrangement established under section 401(k) of the Internal Revenue Code. The Plan was originally established by Air Conditioning Innovative Solutions, Inc. ("the Company") on January 7, 2003 to provide retirement, death and disability benefits for eligible employees ("Participants"). The employers are referred to herein as Air Conditioning Innovative Solutions, Inc. All employees who have completed three months of service with Air Conditioning Innovative Solutions, Inc., are eligible to make salary deferrals and receive matching contributions. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA) and certain provisions of the Internal Revenue Code.

Contributions

Participants may contribute to the Plan an amount up to 100% of their annual eligible compensation, not to exceed the Internal Revenue Code Section 402(g) limit. Participants also allocate their respective contributions between various types of mutual fund investments.

Air Conditioning Innovative Solutions, Inc. may also make employer matching and profit-sharing contributions. For the Plan year ended December 31, 2018, Air Conditioning Innovative Solutions, Inc. made matching contributions of $351,574.

Participants may also contribute amounts rolled over from other qualified Plans and if the Participants are 50 years of age or older, they may elect to defer additional amounts (called "catch-up" contributions) to the Plan. The additional amounts may be deferred regardless of any other limitation on the amount that a Participant may defer to the Plan.

Participant Accounts

Each Participant's account is credited with the Participant's contribution and allocations of Air Conditioning Innovative Solutions, Inc.'s matching contributions.

Employer matching contributions are allocated to each Participant's account based on
100% of employee contributions not to exceed 6% of their total compensation.

Certain fees are charged to the funds and are offset against Plan investment income and losses as presented on the statement of changes in net assets available for benefits. Participants should refer to the prospectuses of these funds for details on the various types and amounts of investment fees charged to the Plan and their individual accounts.

Investment Options

Upon enrollment in the Plan, a Participant directs employee contributions in percentage increments in any of eighteen pooled separate accounts offered by the Massachusetts Mutual Life Insurance Company. Employer contributions are also allocated according to Participants' investment choices. Participants may change their investment options at any time

Notes Receivable from Participants

Notes receivable from participants. Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50 percent of their vested account balance. The loans are secured by the balance in the participant's account. The loan interest rate, determined quarterly, is set at prime rate, as defined. Principal and interest are paid ratably through monthly payroll deduction.

Payment of Benefits

When the participants leave Air Conditioning Innovative Solutions, Inc., upon retirement or for any other reason, those Participants (or their beneficiaries) may receive the vested value of their salary deferrals, employer contributions, and rollovers plus earnings thereon. Participants with account balances greater than $5,000 may elect to receive the value of their accumulated Plan benefits in accordance with the provisions of the Plan in a lump-sum distribution or in an alternative manner mutually agreed upon by the Participant and the Plan administrator. Participants with account balances of $5,000 or below will receive the value of their account in a lump-sum distribution. In 2018, the plan added in-service distribution for participants at least age fifty-nine and a half at the time of the distribution. In the event the Participant dies before retirement, the beneficiary will receive the value of the Participant's vested account in a lump-sum distribution. However, if the deceased Participant's vested account balance is more than $5,000, the beneficiary may receive payment in an alternative manner mutually agreed upon by the beneficiary and the Plan administrator. In order to receive this distribution, Participants (or their beneficiaries) are required to file the appropriate forms with their Plan administrator. The value of their account will be determined as of the day of distribution.

Administration

An administrative committee consisting of one or more individuals appointed by Air Conditioning Innovative Solutions, Inc. administers the Plan.

Administrative Expenses

Certain investment fees are paid out of Plan assets and are offset against Plan investment income and losses. Substantially all administrative expenses of the Plan were paid for by Air Conditioning Innovative Solutions, Inc. and will not be reimbursed by the Plan. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses.

NOTE B- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates

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

Information Certified by the Massachusetts Mutual Life Insurance Company

Massachusetts Mutual Life Insurance Company (Mass Mutual) has prepared and certified as complete and accurate, the Plan's schedule of investment assets, transactions and net realized and unrealized losses on investments and interest income, which was used to prepare the accompanying financial statements and supplemental schedule.

Investment Valuation and Income Recognition

Investments are stated at fair value. See Note D for more information on fair value measurements.

Purchases and sales of securities are reflected on a trade date basis. Income is recorded as earned on an accrual basis. Dividends are recorded on the ex-dividend date.

Notes Receivable from Participants

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

Recognition of Benefit Payment

Benefits are recorded when paid.

Risk and Uncertainties

The Plan provides for various investment options in pooled separate accounts offered by Massachusetts Mutual Life Insurance Company. Such accounts are exposed to various risks, such as interest rate, market fluctuations and credit risks. Due to the level of risk associated with certain accounts, it is at least reasonably possible that change in risks in the near term would materially affect Participants' account balances and the amounts reported in the Statement of Net Assets Available for Benefits.

NOTE C- MASS MUTUAL FIXED ACCOUNT – GROUP ANNUITY CONTRACT ISSUED BY MASSASACHUSETTS MUTUAL LIFE LINSURANCE COMPANY (MASS MUTUAL)

Mass Mutual provides the Plan with a group annuity contract investment option. This contract is an obligation of Mass Mutual's general account which supports all of Mass Mutual's insurance and annuity commitments. Mass Mutual is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan.

Because the group annuity contract is fully benefit-responsive, contract value represents contributions plus credited interest less participant withdrawals and fees. The group annuity contract is presented on the face of the statement of net assets available for benefits at fair value with an adjustment to contract value in arriving at net assets available for benefits. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. There are no reserves against contract value for credit risk of the contract issuer or otherwise.

The group annuity contract does not permit the insurance company to terminate the agreement prior to the scheduled maturity date. The crediting interest rate is based on a Mass Mutual formula, but it may not be less than the "guaranteed minimum floor rate" that is set each calendar year. Both the average interest rate yield and the actual rate credited to the account for the group annuity contract was approximately 1.65% in 2018.

NOTE D- FAIR VALUE MEASUREMENTS

Investments in pooled separate accounts mirror the mutual funds they represent which are listed on national securities exchanges. Thus, the pooled separate accounts are valued at the last reported sales price of the funds on the last business day of the valuation period. In accordance with the policy of stating investments at fair value, net realized and unrealized appreciation (depreciation) for the year is reflected in the Statement of Changes in Net Assets Available for Benefits.

FASB ASC 820 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 FASB ASC 820 are described as follows:

Level 1

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

Level 2

Inputs to the valuation methodology include

- Quoted prices for similar assets or liabilities 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; and
- Inputs that are derived principally from or corroborated by market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability. 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 3

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

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

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

Mutual funds: Valued at the publicly quoted net asset value of shares held by the Plan at year end.

Guaranteed interest contract: Valued at market value of the underlying investments, including quoted prices for similar assets in active or non-active or inactive markets.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although 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.

Fair value hierarchy of the Plan for December 31, 2018 is as follows:

	Fair Value Measurements at December 31, 2018			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Other Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Totals
Mutual Funds	$ 6,039,196			$ 6,039,196
Group Annuity Contract		2,707		2,707
Participant Loans			182,882	182,882
Total Assets at Fair Value	$ 6,039,196	$ 2,707	$ 182,882	$ 6,224,785

The table below sets forth a summary of changes in the fair value of the Plan's level 3 assets for the year ended December 31, 2018:

	Level 3 Assets Participant Loans
Balance, Beginning of Year	$ 176,927
*Prior year Adjustment	4,843
Realized Gains/(Losses)	13,630
Unrealized Gains/(Losses)	
Purchases, Sales, and Settlements (Net)	(12,518)
Balance, End of Year	$ 182,882

* Deemed loans were written off in prior years in accordance with 5500

NOTE E- INVESTMENTS

The following investment balances were obtained from data prepared and certified as complete by Mass Mutual. Investments representing the Plan's net assets available for benefits as of the year ended December 31, 2018.

	2018	2017
FIXED ACCOUNT	$ 2,707	$ 552
PIONEER FUNDAMENTAL GROWTH	324,959	424,744
FIDELITY ADVISOR TOTAL BOND	241,919	215,776
EATON VANCE INCOME FUND OF BOSTON	8,141	66,468
JPMORGAN SMARTRETIREMENT 2020	329,044	458,055
JPMORGAN SMARTRETIREMENT 2025	690,769	932,976
JPMORGAN SMARTRETIREMENT 2030	185,966	159,398
JP MORGAN SMARTRETIREMENT 2035	1,529,053	1,656,196
JP MORGAN SMARTRETIREMENT 2040	600,277	551,925
JPMORGAN SMARTRETIREMENT 2045	185,662	190,421
JP MORGAN SMARTRETIREMENT 2050	143,426	132,369
JPMORGAN SMARTRETIREMENT 2055	66,961	218,816
JPMORGAN SMARTRETIREMENT INCOME	190,966	244,067
OPPENHEIMER INTERNATIONAL DIVERSIFIED	397,744	605,747
VICTORY SYCAMORE SMALL COMPANY OPPORTUNITY	292,659	294,877
AB GLOBAL BOND	10,284	6,745
MFS VALUE R3	351,395	343,842
MM S&P MID CAP INDEX R4	189,346	160,895
MM S&P 500 INDEX R4	300,625	422,514
PARTICIPANT LOAN	182,882	176,927
	$ 6,224,785	$ 7,263,310

During 2018, the Plan's investments (including gains, losses and fees on investments bought and sold, as well as held during the year) appreciated in value by:

	2018
Mutual Funds	$ (506,927)
Fees	$ (1,824)
Group Annuity Contract	480
PARTICIPANT LOAN	13,630
	$ (494,641)

NOTE F- 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% vested in their accounts. The Company may direct that either (a) benefits to be distributed to the participants in any manner permitted by the Plan as soon as practicable, or (b) the trust created by the Plan to be continued and benefits be distributed to the participants or their beneficiaries as if the Plan had not terminated. A complete discontinuance of contributions by the Company shall constitute a Plan termination.

NOTE G- RELATED PARTY TRANSACTIONS

Certain Plan investments are managed by Mass Mutual, or UBS Financial Services, Inc., or other small companies. Mass Mutual and UBS Financial Services, Inc. are the account manager and plan representative respectively, as defined by the Plan, and therefore, fees paid to these institutions qualify as exempt party-in-interest transactions. Fees paid were $1,824 and $ 21,915 respectively. Indirect fees are not represented.

Notes receivable from participants also qualify as party-in-interest transactions but are exempt from the prohibited transaction rules of ERISA.

NOTE H- TAX STATUS

The volume submitter plan adopted by the Plan at January 7, 2003 obtained its most recent favorable notification letter on April 02, 2012, in which the Internal Revenue Service stated that the volume submitter plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code.

Accounting principles require Plan management to evaluate tax positions and recognize a tax liability (or asset) if the Plan has taken an uncertain tax position that more likely than not would not be sustained upon examination. Plan management has analyzed tax positions and has concluded 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 routine audits by taxing jurisdictions; however, there currently are no audits for any tax periods in progress. The Plan could be subject to income tax examination for open tax years. No provision for income taxes has been included in the Plan's financial statements.

NOTE I- RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the amounts reflected in the Form 5500 as filed by the Plan with the Employee Benefits Security Administration as of December 31, 2018 and December 31, 2017:

	2018	2017
Net Assets Available for Benefits per the Financial Statements:	$ 6,224,785	$ 7,263,310
*Deemed Loans	(26,985)	
Adjustment from Fair Value to Contract Value for Fully Benefit- Responsive Investment contract:	132	19
Net Assets Available for Benefits per Form 5500:	$ 6,197,932	$ 7,263,329

* Deemed loans were written off in prior years in accordance with Form 5500

NOTE J -PRIOR YEAR ADJUSTMENT

Deemed loans were recorded in prior year as write offs in accordance with Form 5500. In current year the beginning of the year was restated to include deemed loans in loan value changing the beginning numbers for the year. The change in loan value to include deemed loans from prior year is the amount of $ 4,843.

NOTE K -SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date of the independent accountant's audit report, the date on which the financial statements were available to be issued. Management has not identified any subsequent events that would materially affect the presentation of these financial statements.

SUPPLEMENTAL INFORMATION

Air Conditioning Innovative Solutions, Inc. 401(k) Plan

Supplemental Schedules of Assets Held for Investment Purposes

As of December 31, 2018, and December 31, 2017

Schedule H, 4i
Plan number 840031
EIN 03-0425676

(a)	(b)Identity	(c)Description	(e)Current Value	
			2018	2017
*	FIXED ACCOUNT	Group Annuity Contract**	$ 2,839	$ 571
	Total Guaranteed Interest Account		2,839	571
	PIONEER FUNDAMENTAL GROWTH	Mutual Fund	324,959	424,744
	FIDELITY ADVISOR TOTAL BOND	Mutual Fund	241,919	215,776
	EATON VANCE INCOME FUND OF BOSTON	Mutual Fund	8,141	66,468
	JPMORGAN SMARTRETIREMENT 2020	Mutual Fund	329,044	458,055
	JPMORGAN SMARTRETIREMENT 2025	Mutual Fund	690,769	932,976
	JPMORGAN SMARTRETIREMENT 2030	Mutual Fund	185,966	159,398
	JP MORGAN SMARTRETIREMENT 2035	Mutual Fund	1,529,053	1,656,196
	JP MORGAN SMARTRETIREMENT 2040	Mutual Fund	600,277	551,925
	JPMORGAN SMARTRETIREMENT 2045	Mutual Fund	185,662	190,421
	JP MORGAN SMARTRETIREMENT 2050	Mutual Fund	143,426	132,369
	JPMORGAN SMARTRETIREMENT 2055	Mutual Fund	66,961	218,816
	JPMORGAN SMARTRETIREMENT INCOME	Mutual Fund	190,966	244,067
	OPPENHEIMER INTERNATIONAL DIVERSIFIED	Mutual Fund	397,744	605,747
	VICTORY SYCAMORE SMALL COMPANY OPPORTUNITY	Mutual Fund	292,659	294,877
	AB GLOBAL BOND	Mutual Fund	10,284	6,745
*	MFS VALUE R3	Mutual Fund	351,395	343,842
*	MM S&P MID CAP INDEX R4	Mutual Fund	189,346	160,895
*	MM S&P 500 INDEX R4	Mutual Fund	300,625	422,514
*	PARTICIPANT LOAN	LOAN	155,896	176,927
	Total Mutual Funds		6,195,092	7,262,758
	Total Assets Held for Investment Purposes:		$ 6,197,931	$ 7,263,329

* Party-in-interest

** Stated at Contract Value on Schedule H

MassMutual

Schedule C Soft Dollar Compensation
Eligible Indirect Compensation Statement

Mutual fund investments of the plan (whether direct or indirect through a separate investment account) may have soft dollar arrangements pursuant to which the investment advisor or sub-advisor to the mutual fund (and/or its affiliates) may direct trades to certain brokers in exchange for research and other services, other than just trade execution. For plans investing directly or indirectly in the MassMutual Premier or Select Funds, the funds listed below had soft dollar arrangements during the previous fiscal year-end. For details, please refer to the Portfolio Transactions and Brokerage section of the Statement of Additional Information ("SAI"). For all other mutual funds, MassMutual provided the required written disclosure in the Statement of Additional Information ("SAI").

For additional information on soft dollar compensation, refer to the section of the mutual fund's SAI that discusses brokerage allocation and other practices.

MassMutual Premier Funds

MassMutual Premier Balanced Fund
MassMutual Premier Disciplined Gr Fund
MassMutual Premier Disciplined Value Fund
MassMutual Premier Fundnternational Eq Fund
MassMutual Premier Global Fund
MassMutual Premier Main Street Fund
MassMutual Premier Small Cap Opps Fund
MassMutual Premier Strat Emerg Mkts Fund

MassMutual Select Funds

MassMutual Select BlackRock Glbl Allc Fund
MassMutual Select Blue Chip Growth Fund
MassMutual Select Diversified Value Fund
MassMutual Select Equity Opports Fund
MassMutual Select Fundamental Growth Fund
MassMutual Select Fundamental Value A
MassMutual Select Fundamental Value Adm
MassMutual Select Fundamental Value Fund
MassMutual Select Growth Opps Fund
MassMutual Select Mid Cap Growth Fund
MassMutual Select Mid Cap Value Fund
MassMutual Select Mid-Cap Value Fund
MassMutual Select Overseas Fund
MassMutual Select Small Cap Gr Eq Fund
MassMutual Select Small Cap Growth Eq Fund
MassMutual Select Small Cap Val Eq Fund
MassMutual Select Small Company Val Fund
MassMutual Select Small Company Value Fund

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Fee and Compensation Disclosure Report

This document is intended to assist a plan administrator ("you") in completing the Form 5500 Schedule C[1] by identifying different types of compensation paid with respect to the product utilized by your plan.

As permitted under the Schedule C rules, compensation is disclosed in the attached report as an actual dollar amount, an estimate or a formula or rate.

- Where an actual dollar amount of compensation is disclosed, no further notation regarding compensation calculations is generally provided.
- Where an estimate of the compensation amount is disclosed, we have used a reasonable method to arrive at the estimate and we have described the method used to arrive at the estimated amount.
- Where a formula or rate is provided to report compensation, we have used a reasonable method to arrive at the estimate and we have described the method used to arrive at the estimated amount. This formula or rate may be disclosed to describe the compensation to which it applies under the Schedule C rules. Alternatively, for purposes of Schedule C disclosure or in connection with your fiduciary review of the compensation paid with respect to the services, products and investment options utilized by the plan, you may calculate and disclose an actual or estimated dollar amount by multiplying the rate by the total assets to which it applies.

Please note that, unless otherwise indicated in the descriptions contained in this report, direct compensation is presented on a plan year basis 01/01/2018 - 12/31/2018 and indirect compensation is presented on a calendar year basis ending 12/31/2018.

This report includes compensation actually paid to or by MassMutual within the indicated plan year as part of your MassMutual-serviced product. *(Note: If the plan year period or plan year end indicated in this Schedule C reporting package is incorrect, please notify your MassMutual customer service representative immediately).* This report does not include amounts deducted from plan assets and paid to third parties (other than MassMutual). In addition, the report does not include compensation related to investments held by the plan that are not serviced on our recordkeeping system. You should contact your other service providers for reportable compensation information. You may also receive information on the compensation reported here from other service providers as is described below.

Please note that we have provided suggested service codes with respect to services provided through our product. Please review all Schedule C and other Form 5500 materials with your experienced benefits counsel and other professionals to determine the most appropriate codes for your plan. In addition, please note that because plans with fewer than 100 participants (as of the beginning of the plan year) are generally not required to file Schedule C, you should refer to the instructions provided by the IRS for Schedule C and/or review the applicability of Schedule C to your plan with your experienced tax/benefits counsel, to determine whether it is necessary for the plan to report the information contemplated by this report.

Please contact your MassMutual Service Team should you require additional information regarding the compensation paid to or by MassMutual with respect to your plan.

*****

Information provided in this document and related materials we provide are not intended to be and shall not be deemed tax advice, tax form preparation services, legal advice, advice to plans regarding compliance with ERISA reporting compliance, or accounting or other professional services. As described above, the information contained in this report may not cover all of the compensation received by the plan's service providers. We strongly encourage you to review all Schedule C and other Form 5500 materials with experienced benefits counsel and other professionals.

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[1]Please refer to the Schedule C of the Form 5500 and its instructions (available at: http://www.dol.gov/ebsa/5500main.html), and please confer with experienced benefits counsel and other professionals, to determine the applicability of Schedule C to your plan.

FORM 5500 SCHEDULE C REPORT
SCHEDULE C, LINE 2(h) AND LINE 3(e) FORMULA DESCRIPTION

ACIS 401(K) PLAN (840031)
EIN #: 03-0425676

Please note that, unless otherwise indicated in the descriptions contained in this report, direct compensation is presented on a plan year basis 01/01/2018 - 12/31/2018 and indirect compensation is presented on a calendar year basis ending 12/31/2018.

For use with lines 2(h), 3(c), 3(d), 3(e)

Total Direct Compensation Paid **$23,739.03**

The total amount identified above reflects all fees deducted from plan assets at the plan administrator's direction for the plan year. Service providers which have received portions of these direct fees are listed below, along with the amount of fees they received. Please note that if there is a discrepancy between the total direct fees reported above and the sum of the direct fees reported below, you should contact your other service providers or your plan records to identify the recipient(s) of the fees and any other information relevant to your Schedule C filing.

Recipient: Massachusetts Mutual Life Insurance Company EIN: 04-1590850

Service Codes: 15, 23, 37, 38, 54, 55, 59, 60, 62, 63, 64, 65, 66, 99, 50 (if direct compensation amount reflected below)

Direct Compensation **$1,824.00**

The total amount identified above reflects fees deducted from plan assets at the plan administrator's direction for the 2018 plan year for the above named recipient. Please review other service providers, below, to determine whether direct fees were also paid to them. Also, please review your records to determine whether other service providers may have received any compensation not reported below (e.g., a reimbursement paid to any plan fiduciary, your employee benefits counsel, or a plan auditor).

Note: Due to system accounting protocols (including 'cash basis' accounting), amounts reported as Direct Compensation and amounts reported as paid to Massachusetts Mutual Life Insurance Company ("MMLIC") are the net result of aggregating direct compensation after the effects of adjustments processed in 2018, some of which may have pertained to prior years.

Please review the detailed breakdown at the end of the report for further information.

Indirect Compensation

Float compensation **$218.96**

Bank accounts and investments associated with short-term investment pool

This is an estimate based on the annual average rate of float (0.43% for 2018) earned on the bank accounts and investments associated with the short-term investment pool for the 2018 calendar year multiplied by an estimate of the assets related to uncashed checks.* This estimate does not include float earned for any other reason (e.g., if amounts remitted cannot be immediately invested because they are not in good order). Please review or request a copy of the current float disclosure for more information about the other circumstances in which float is earned.

* A complete listing of distribution checks that remain outstanding for your plan is available on the Retirement Plan Access web site under the Standard Reports section (Report R03998-Outstanding Distribution Checks). Uncashed check assets will continue to remain in a float-earning bank account until such time direction is received from the Plan Sponsor, subject to applicable regulation. The Plan Sponsor should consult with the Plan's/Plan Sponsor's tax advisor or benefits counsel to determine if assets attributable to uncashed checks should be included on the Form 5500 filing.

Non Monetary Compensation

Please note that items of nonmonetary compensation need to be reported for Schedule A or C (Form 5500) purposes if they exceed certain *de minimus* amounts. Transactions generating nonmonetary compensation may include gifts, gratuities, or certain types of in-kind benefits. In addition, if applicable to the plan, MassMutual agents may qualify for certain forms of non-monetary compensation as a result of the sale of MassMutual contracts. These forms of non-monetary compensation include health, vision, life and disability coverage; matching contributions to 401(k) plans; cash balance and nonqualified pension plan contributions; participation at MassMutual-sponsored conferences based on recognition; and other non-monetary compensation (meals, entertainment, prizes, awards, gifts). If applicable, each plan in the agent's book of business is allocated compensation based on a pro rata basis using the number of plans representing the agent's book of business as of 12/31/2018.Information concerning reportable transactions undertaken between or among non-MassMutual parties may not be available to MassMutual. Please consult with your legal or tax advisors if you have any questions.

Compensation paid with respect to Funds

Investment Option Name	*EIN*	*Revenue Sharing Rate (%) Paid to MassMutual (rates as of 12/31/2018)*	*Underlying Fund Gross Expense Ratio as of the Fund's Year End*[*]
AB GLOBAL BOND A	13-4071393	.5	0.83%
EATON VANCE INC FUND OF BOSTON A	13-2706484	.5	1.00%
FIDELITY ADVISOR TOTAL BOND M	04-3022712	.5	0.76%
FIXED ACCOUNT	06-0974148		0.00%
JPMORGAN SMARTRETIREMENT 2020 A	33-1043149	.55	1.07%
JPMORGAN SMARTRETIREMENT 2025 A	33-1043149	.55	1.08%
JPMORGAN SMARTRETIREMENT 2030 A	33-1043149	.55	1.12%
JPMORGAN SMARTRETIREMENT 2035 A	33-1043149	.55	1.15%
JPMORGAN SMARTRETIREMENT 2040 A	33-1043149	.55	1.20%
JPMORGAN SMARTRETIREMENT 2045 A	33-1043149	.55	1.24%
JPMORGAN SMARTRETIREMENT 2050 A	33-1043149	.55	1.31%
JPMORGAN SMARTRETIREMENT 2055 A	33-1043149	.55	1.35%
JPMORGAN SMARTRETIREMENT INC A	33-1043149	.55	1.03%
MFS VALUE R3	04-3158862	.5	0.83%
MM S&P 500 INDEX R4	04-2483041	.5	0.62%
MM S&P MID CAP INDEX R4	04-2483041	.5	0.68%
OPPENHEIMER INTL DIVERSIFIED A	13-5657518	.55	1.29%
PIONEER FUNDAMENTAL GR A	03-0460956	.55	1.10%
VICTORY SYCAMORE SMALL CO OPP A	31-6364605	.55	1.31%

Under the variable investment options available through your plan's group annuity contract or funding agreement, contract values are invested in Massachusetts Mutual Life Insurance Company separate accounts that, in turn, invest in underlying registered investment companies (i.e., mutual funds) and collective investment funds.

The above list includes any investment option held by the plan on at least one month end during the 2018 calendar year. To arrive at an estimate of the dollar amount that MassMutual received from each investment option, multiply the rate of fees received from each investment option by your plan's year-end balance (or if the investment option was liquidated prior to year end, the balance on the liquidation date) and, if applicable, the per participant fee by the number of participants in the investment option at year end (or the liquidation date if earlier). This will be an estimate because your plan's balance and number of participants will vary over the course of the year, so the year-end balance and number of participants may be higher or lower than the daily balance. In addition, these fees are calculated on a daily basis.

[*]This amount is the sum of the fund's distribution, management and other fees, which are also identified in the fund's prospectus. Please note that some of the funds available through your service contract or arrangement are funds from the Oppenheimer family of mutual funds, which are affiliated with MassMutual (The Oppenheimer Funds). These affiliated mutual funds have contracts for services with companies that are affiliated with MassMutual. The MassMutual-affiliated companies that provide these services, and are compensated in connection with those services, are listed below. For more information about these affiliated mutual funds, see the applicable fund prospectus and/or Statement of Information..

MassMutual Affiliate	Services	Compensation
OppenheimerFunds Distributor, Inc.	Principal Underwriter to The Oppenheimer Funds	As Principal Underwriter paid by the Fund in the form of dealer concessions
OFI Global Asset Management, Inc.	Transfer Agent to The Oppenheimer Funds	Paid by the Fund in the form of fees for services
Shareholder Services, Inc. (doing business as OppenheimerFunds Services)	Sub-Transfer Agent to The Oppenheimer Funds	Paid by the Transfer Agent in the form of fees for services
OFI Global Asset Management, Inc.	Investment Adviser to The Oppenheimer Funds	Paid by the Fund in the form of investment advisory fees based on assets under management
OppenheimerFunds, Inc.	Sub-Adviser to The Oppenheimer Funds	Paid by the Investment Adviser in the form of investment advisory fees based on assets under management

In addition, please note that some of the funds available through your service contract or arrangement from a family of mutual funds that are affiliated with MassMutual (MassMutual Select Funds and MassMutual Premier Funds). These affiliated mutual funds have contracts for services with companies that are affiliated with MassMutual. The MassMutual-affiliated companies that provide these services, and are compensated in connection with those services, are listed below. For more information about these affiliated mutual funds, see the applicable fund prospectus and/or Statement of Information.

MassMutual Affiliate	Services	Compensation
MML Distributors, LLC	Principal Underwriter to the MassMutual Select Funds and MassMutual Premier Funds	As Principal Underwriter paid by the fund in the form of dealer concessions
MML Investment Advisors, LLC	Administrator to the MassMutual Select Funds and MassMutual Premier Funds	Paid by the fund in the form of fees for services
Massachusetts Mutual Life Insurance Company	Provides certain administrative services to the MassMutual Select Funds and MassMutual Premier Funds	Paid by the Administrator in the form of fees for services
Massachusetts Mutual Life Insurance Company	Shareholder Serving Agent to the MassMutual Select Funds and MassMutual Premier Funds	Paid by the fund in the form of fees for services
MML Investment Advisors, LLC	Investment Adviser to the MassMutual Select Funds and MassMutual Premier Funds	Paid by the fund in the form of investment advisory fees based on assets under management
Barings LLC	Sub-Adviser to certain of the MassMutual Premier Funds	Paid by the Investment Adviser in the form of investment advisory fees based on assets under management
OppenheimerFunds, Inc.	Sub-Adviser to certain of the MassMutual Premier Funds	Paid by the Investment Adviser in the form of investment advisory fees based on assets under management
OFI Global Institutional, Inc.	Sub-Adviser to certain of the MassMutual Select Funds and MassMutual Premier Funds	Paid by the Investment Adviser in the form of investment advisory fees based on assets under management

Recipient: UBS FINANCIAL SERVICES INC EIN: 13-2638166

Service Codes:

Please contact your Service Provider for the list of applicable services performed and Service Codes.

Direct Compensation **$21,915.03**

The total amount identified above reflects fees deducted from plan assets at the plan administrator's direction for the 2018 plan year for the above named recipient.

Note: Due to system accounting protocols (including 'cash basis' accounting), amounts reported as Direct Compensation are the net result of aggregating direct compensation after the effects of adjustments processed in 2018, some of which may have pertained to prior years.

Please review the detailed breakdown at the end of the report for further information.

Indirect Compensation **$0.00**

Our records indicate that this recipient did not receive any Indirect Compensation. Please review your records to determine whether this service provider may have received any compensation not reported.

Recipient: Mesirow Financial Investment Management, Inc. EIN: 36-3429599

Indirect Compensation

Annual platform package fee ("Model My Goals") **$22.44**
Service code: 49

Payor: Massachusetts Mutual Life Insurance Company EIN: 04-1590850

This is an estimate based on the annual platform package fee paid to Mesirow divided by the number of plans using this feature.

Direct Revenue Detail

Recipient: *Massachusetts Mutual Life Insurance Company*

Fee Description	Dollar Amount
Paper Enrollment Fee	$50.00
Loan Set-up Fee	$850.00
One-Time Distribution Fee	$510.00
Loan Administration Fee	$414.00
Total Direct Revenue:	**$1,824.00**

Recipient: *UBS FINANCIAL SERVICES INC*

Fee Description	Dollar Amount
Expense Budget Account: Service Provider Fee	$21,915.03
Total Direct Revenue:	**$21,915.03**

Grand Total Direct Fees:	**$23,739.03**

AIR CONDITIONING INNOVATIVE SOLUTIONS, INC
401(k) PLAN

Financial Statements

And

Independent Auditor's Report

For the Year Ending December 31, 2018

Kelly Grimes, CPA

Air Conditioning Innovative Solutions, Inc. 401(k) Plan

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For the Year Ended December 31, 2018

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Kelly Grimes, CPA

INDEPENDENT AUDITOR'S REPORT

To the Administrative Committee of
Air Conditioning Innovative Solutions, Inc. 401(k) Plan

Report on the Financial Statements

I was engaged to audit the accompanying financial statements of Air Conditioning Innovative Solutions, Inc. 401(k) Plan, which comprise the statements of net assets available for benefits as of December 31, 2018 and 2017, and the related statements of changes in net assets available for benefits for the years then ended, 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

My responsibility is to express an opinion on these financial statements based on conducting the audits 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, I was 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 me not to perform, and I did not perform, any auditing procedures with respect to the information summarized in Note E, which was certified by Mass Mutual, the trustee of the Plan, except for comparing the information with the related information included in the financial statements. I have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2018 and 2017, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

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

Other Matter

The supplemental schedules of Assets Held for Investment Purposes as of or for the year ended December 31, 2018 and 2017, are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, I do not express an opinion on the supplemental schedules referred to above.

Phone: 903-564-5806
Fax: 903-564-7886
info@kellygrimescpa.com

117 E MAIN ST STE 100
WHITESBORO, TX 76273

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 schedules, other than that derived from the information certified by the trustee, have been audited by me in accordance with auditing standards generally accepted in the United States of America and, in my 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.

Kelly Grimes, CPA

Whitesboro, Tx
August 15, 2019

FINANCIAL STATEMENTS

Air Conditioning Innovative Solutions, Inc. 401(k) Plan

Statement of Net Assets Available for Benefits

As of December 31, 2018 and December 31, 2017

	2018	2017
Assets		
Investments, at Fair Value:		
Mutual Funds	$ 6,039,196	$ 7,085,831
Group Annuity Contract	2,707	552
Total Investments	6,041,903	7,086,383
Receivables		
Notes Receivable From Participants	182,882	176,927
Total Assets	6,224,785	7,263,310
Liabilities		
Payable to Plan Sponsor	-	-
Total Liabilities	-	-
Net assets Reflecting Investments at Fair Value	6,224,785	7,263,310
Adjustment from Fair Value to Contract Value	132	19
Net Assets Available for Benefits	$ 6,224,917	$ 7,263,329

The accompanying notes are an integral part of these financial statements.

Air Conditioning Innovative Solutions, Inc. 401(k) Plan

Statement of Changes in Net Assets Available for Benefits

For the Years Ended December 31, 2018 and December 31, 2017

	2018	2017
Additions to Net Assets Attributed to:		
Contributions and Deferrals		
Employer Matching Contributions	$ 351,574	$ 296,811
Participants' Salary Deferrals	468,327	429,383
Rollover	-	82,952
Roth Contributions	24,614	9,796
Total Contributions and Deferrals	844,515	818,942
Investment Income		
Net Appreciation (Depreciation) in Fair Value of Investments	(506,448)	1,023,558
Other Income	21,916	-
Interest	13,630	9,990
Net Investment Income	(470,902)	1,033,548
Total Additions to net	373,613	1,852,490
Deductions from net Assets Attributed to:		
Benefits and Rollovers Paid to Participants	1,393,129	358,357
Administrative Expenses	21,915	14,633
Participant Paid Fees	1,824	1,008
Total Deductions from Net Assets	1,416,868	373,998
Net Increase (Decrease) in Net Assets	(1,043,255)	1,478,492
Net Assets Available for Benefits		
Beginning of Year	7,263,329	5,784,837
Prior Year Adjustment	4,843	
End of Year	$ 6,224,917	$ 7,263,329

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

NOTE A- Description of Plan

The following description of the Air Conditioning Innovative Solutions, Inc. 401(k) 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 with a salary deferral arrangement established under section 401(k) of the Internal Revenue Code. The Plan was originally established by Air Conditioning Innovative Solutions, Inc. ("the Company") on January 7, 2003 to provide retirement, death and disability benefits for eligible employees ("Participants"). The employers are referred to herein as Air Conditioning Innovative Solutions, Inc. All employees who have completed three months of service with Air Conditioning Innovative Solutions, Inc., are eligible to make salary deferrals and receive matching contributions. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA) and certain provisions of the Internal Revenue Code.

Contributions

Participants may contribute to the Plan an amount up to 100% of their annual eligible compensation, not to exceed the Internal Revenue Code Section 402(g) limit. Participants also allocate their respective contributions between various types of mutual fund investments.

Air Conditioning Innovative Solutions, Inc. may also make employer matching and profit-sharing contributions. For the Plan year ended December 31, 2018, Air Conditioning Innovative Solutions, Inc. made matching contributions of $351,574.

Participants may also contribute amounts rolled over from other qualified Plans and if the Participants are 50 years of age or older, they may elect to defer additional amounts (called "catch-up" contributions) to the Plan. The additional amounts may be deferred regardless of any other limitation on the amount that a Participant may defer to the Plan.

Participant Accounts

Each Participant's account is credited with the Participant's contribution and allocations of Air Conditioning Innovative Solutions, Inc.'s matching contributions.

Employer matching contributions are allocated to each Participant's account based on
100% of employee contributions not to exceed 6% of their total compensation.

Certain fees are charged to the funds and are offset against Plan investment income and losses as presented on the statement of changes in net assets available for benefits. Participants should refer to the prospectuses of these funds for details on the various types and amounts of investment fees charged to the Plan and their individual accounts.

Investment Options

Upon enrollment in the Plan, a Participant directs employee contributions in percentage increments in any of eighteen pooled separate accounts offered by the Massachusetts Mutual Life Insurance Company. Employer contributions are also allocated according to Participants' investment choices. Participants may change their investment options at any time

Notes Receivable from Participants

Notes receivable from participants. Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50 percent of their vested account balance. The loans are secured by the balance in the participant's account. The loan interest rate, determined quarterly, is set at prime rate, as defined. Principal and interest are paid ratably through monthly payroll deduction.

Payment of Benefits

When the participants leave Air Conditioning Innovative Solutions, Inc., upon retirement or for any other reason, those Participants (or their beneficiaries) may receive the vested value of their salary deferrals, employer contributions, and rollovers plus earnings thereon. Participants with account balances greater than $5,000 may elect to receive the value of their accumulated Plan benefits in accordance with the provisions of the Plan in a lump-sum distribution or in an alternative manner mutually agreed upon by the Participant and the Plan administrator. Participants with account balances of $5,000 or below will receive the value of their account in a lump-sum distribution. In 2018, the plan added in-service distribution for participants at least age fifty-nine and a half at the time of the distribution. In the event the Participant dies before retirement, the beneficiary will receive the value of the Participant's vested account in a lump-sum distribution. However, if the deceased Participant's vested account balance is more than $5,000, the beneficiary may receive payment in an alternative manner mutually agreed upon by the beneficiary and the Plan administrator. In order to receive this distribution, Participants (or their beneficiaries) are required to file the appropriate forms with their Plan administrator. The value of their account will be determined as of the day of distribution.

Administration

An administrative committee consisting of one or more individuals appointed by Air Conditioning Innovative Solutions, Inc. administers the Plan.

Administrative Expenses

Certain investment fees are paid out of Plan assets and are offset against Plan investment income and losses. Substantially all administrative expenses of the Plan were paid for by Air Conditioning Innovative Solutions, Inc. and will not be reimbursed by the Plan. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses.

NOTE B- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates

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

Information Certified by the Massachusetts Mutual Life Insurance Company

Massachusetts Mutual Life Insurance Company (Mass Mutual) has prepared and certified as complete and accurate, the Plan's schedule of investment assets, transactions and net realized and unrealized losses on investments and interest income, which was used to prepare the accompanying financial statements and supplemental schedule.

Investment Valuation and Income Recognition

Investments are stated at fair value. See Note D for more information on fair value measurements.

Purchases and sales of securities are reflected on a trade date basis. Income is recorded as earned on an accrual basis. Dividends are recorded on the ex-dividend date.

Notes Receivable from Participants

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

Recognition of Benefit Payment

Benefits are recorded when paid.

Risk and Uncertainties

The Plan provides for various investment options in pooled separate accounts offered by Massachusetts Mutual Life Insurance Company. Such accounts are exposed to various risks, such as interest rate, market fluctuations and credit risks. Due to the level of risk associated with certain accounts, it is at least reasonably possible that change in risks in the near term would materially affect Participants' account balances and the amounts reported in the Statement of Net Assets Available for Benefits.

NOTE C- MASS MUTUAL FIXED ACCOUNT – GROUP ANNUITY CONTRACT ISSUED BY MASSASACHUSETTS MUTUAL LIFE LINSURANCE COMPANY (MASS MUTUAL)

Mass Mutual provides the Plan with a group annuity contract investment option. This contract is an obligation of Mass Mutual's general account which supports all of Mass Mutual's insurance and annuity commitments. Mass Mutual is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan.

Because the group annuity contract is fully benefit-responsive, contract value represents contributions plus credited interest less participant withdrawals and fees. The group annuity contract is presented on the face of the statement of net assets available for benefits at fair value with an adjustment to contract value in arriving at net assets available for benefits. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. There are no reserves against contract value for credit risk of the contract issuer or otherwise.

The group annuity contract does not permit the insurance company to terminate the agreement prior to the scheduled maturity date. The crediting interest rate is based on a Mass Mutual formula, but it may not be less than the "guaranteed minimum floor rate" that is set each calendar year. Both the average interest rate yield and the actual rate credited to the account for the group annuity contract was approximately 1.65% in 2018.

NOTE D- FAIR VALUE MEASUREMENTS

Investments in pooled separate accounts mirror the mutual funds they represent which are listed on national securities exchanges. Thus, the pooled separate accounts are valued at the last reported sales price of the funds on the last business day of the valuation period. In accordance with the policy of stating investments at fair value, net realized and unrealized appreciation (depreciation) for the year is reflected in the Statement of Changes in Net Assets Available for Benefits.

FASB ASC 820 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 FASB ASC 820 are described as follows:

Level 1

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

Level 2

Inputs to the valuation methodology include

- Quoted prices for similar assets or liabilities 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; and
- Inputs that are derived principally from or corroborated by market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability. 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 3

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

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

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

Mutual funds: Valued at the publicly quoted net asset value of shares held by the Plan at year end.

Guaranteed interest contract: Valued at market value of the underlying investments, including quoted prices for similar assets in active or non-active or inactive markets.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although 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.

Fair value hierarchy of the Plan for December 31, 2018 is as follows:

	Fair Value Measurements at December 31, 2018			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Other Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Totals
Mutual Funds	$ 6,039,196			$ 6,039,196
Group Annuity Contract		2,707		2,707
Participant Loans			182,882	182,882
Total Assets at Fair Value	$ 6,039,196	$ 2,707	$ 182,882	$ 6,224,785

The table below sets forth a summary of changes in the fair value of the Plan's level 3 assets for the year ended December 31, 2018:

	Level 3 Assets Participant Loans
Balance, Beginning of Year	$ 176,927
*Prior year Adjustment	4,843
Realized Gains/(Losses)	13,630
Unrealized Gains/(Losses)	
Purchases, Sales, and Settlements (Net)	(12,518)
Balance, End of Year	$ 182,882

* Deemed loans were written off in prior years in accordance with 5500

NOTE E- INVESTMENTS

The following investment balances were obtained from data prepared and certified as complete by Mass Mutual. Investments representing the Plan's net assets available for benefits as of the year ended December 31, 2018.

	2018	2017
FIXED ACCOUNT	$ 2,707	$ 552
PIONEER FUNDAMENTAL GROWTH	324,959	424,744
FIDELITY ADVISOR TOTAL BOND	241,919	215,776
EATON VANCE INCOME FUND OF BOSTON	8,141	66,468
JPMORGAN SMARTRETIREMENT 2020	329,044	458,055
JPMORGAN SMARTRETIREMENT 2025	690,769	932,976
JPMORGAN SMARTRETIREMENT 2030	185,966	159,398
JP MORGAN SMARTRETIREMENT 2035	1,529,053	1,656,196
JP MORGAN SMARTRETIREMENT 2040	600,277	551,925
JPMORGAN SMARTRETIREMENT 2045	185,662	190,421
JP MORGAN SMARTRETIREMENT 2050	143,426	132,369
JPMORGAN SMARTRETIREMENT 2055	66,961	218,816
JPMORGAN SMARTRETIREMENT INCOME	190,966	244,067
OPPENHEIMER INTERNATIONAL DIVERSIFIED	397,744	605,747
VICTORY SYCAMORE SMALL COMPANY OPPORTUNITY	292,659	294,877
AB GLOBAL BOND	10,284	6,745
MFS VALUE R3	351,395	343,842
MM S&P MID CAP INDEX R4	189,346	160,895
MM S&P 500 INDEX R4	300,625	422,514
PARTICIPANT LOAN	182,882	176,927
	$ 6,224,785	$ 7,263,310

During 2018, the Plan's investments (including gains, losses and fees on investments bought and sold, as well as held during the year) appreciated in value by:

	2018
Mutual Funds	$ (506,927)
Fees	$ (1,824)
Group Annuity Contract	480
PARTICIPANT LOAN	13,630
	$ (494,641)

NOTE F- 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% vested in their accounts. The Company may direct that either (a) benefits to be distributed to the participants in any manner permitted by the Plan as soon as practicable, or (b) the trust created by the Plan to be continued and benefits be distributed to the participants or their beneficiaries as if the Plan had not terminated. A complete discontinuance of contributions by the Company shall constitute a Plan termination.

NOTE G- RELATED PARTY TRANSACTIONS

Certain Plan investments are managed by Mass Mutual, or UBS Financial Services, Inc., or other small companies. Mass Mutual and UBS Financial Services, Inc. are the account manager and plan representative respectively, as defined by the Plan, and therefore, fees paid to these institutions qualify as exempt party-in-interest transactions. Fees paid were $1,824 and $ 21,915 respectively. Indirect fees are not represented.

Notes receivable from participants also qualify as party-in-interest transactions but are exempt from the prohibited transaction rules of ERISA.

NOTE H- TAX STATUS

The volume submitter plan adopted by the Plan at January 7, 2003 obtained its most recent favorable notification letter on April 02, 2012, in which the Internal Revenue Service stated that the volume submitter plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code.

Accounting principles require Plan management to evaluate tax positions and recognize a tax liability (or asset) if the Plan has taken an uncertain tax position that more likely than not would not be sustained upon examination. Plan management has analyzed tax positions and has concluded 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 routine audits by taxing jurisdictions; however, there currently are no audits for any tax periods in progress. The Plan could be subject to income tax examination for open tax years. No provision for income taxes has been included in the Plan's financial statements.

NOTE I- RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the amounts reflected in the Form 5500 as filed by the Plan with the Employee Benefits Security Administration as of December 31, 2018 and December 31, 2017:

	2018	2017
Net Assets Available for Benefits per the Financial Statements:	$ 6,224,785	$ 7,263,310
*Deemed Loans	(26,985)	
Adjustment from Fair Value to Contract Value for Fully Benefit- Responsive Investment contract:	132	19
Net Assets Available for Benefits per Form 5500:	$ 6,197,932	$ 7,263,329

* Deemed loans were written off in prior years in accordance with Form 5500

NOTE J -PRIOR YEAR ADJUSTMENT

Deemed loans were recorded in prior year as write offs in accordance with Form 5500. In current year the beginning of the year was restated to include deemed loans in loan value changing the beginning numbers for the year. The change in loan value to include deemed loans from prior year is the amount of $ 4,843.

NOTE K -SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date of the independent accountant's audit report, the date on which the financial statements were available to be issued. Management has not identified any subsequent events that would materially affect the presentation of these financial statements.

SUPPLEMENTAL INFORMATION

Air Conditioning Innovative Solutions, Inc. 401(k) Plan

Supplemental Schedules of Assets Held for Investment Purposes

As of December 31, 2018, and December 31, 2017

Schedule H, 4i
Plan number 840031
EIN 03-0425676

(a)	(b)Identity	(c)Description	(e)Current Value	
			2018	2017
*	FIXED ACCOUNT	Group Annuity Contract**	$ 2,839	$ 571
	Total Guaranteed Interest Account		2,839	571
	PIONEER FUNDAMENTAL GROWTH	Mutual Fund	324,959	424,744
	FIDELITY ADVISOR TOTAL BOND	Mutual Fund	241,919	215,776
	EATON VANCE INCOME FUND OF BOSTON	Mutual Fund	8,141	66,468
	JPMORGAN SMARTRETIREMENT 2020	Mutual Fund	329,044	458,055
	JPMORGAN SMARTRETIREMENT 2025	Mutual Fund	690,769	932,976
	JPMORGAN SMARTRETIREMENT 2030	Mutual Fund	185,966	159,398
	JP MORGAN SMARTRETIREMENT 2035	Mutual Fund	1,529,053	1,656,196
	JP MORGAN SMARTRETIREMENT 2040	Mutual Fund	600,277	551,925
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	JP MORGAN SMARTRETIREMENT 2050	Mutual Fund	143,426	132,369
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	OPPENHEIMER INTERNATIONAL DIVERSIFIED	Mutual Fund	397,744	605,747
	VICTORY SYCAMORE SMALL COMPANY OPPORTUNITY	Mutual Fund	292,659	294,877
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*	MM S&P MID CAP INDEX R4	Mutual Fund	189,346	160,895
*	MM S&P 500 INDEX R4	Mutual Fund	300,625	422,514
*	PARTICIPANT LOAN	LOAN	155,896	176,927
	Total Mutual Funds		6,195,092	7,262,758
	Total Assets Held for Investment Purposes:		$ 6,197,931	$ 7,263,329

* Party-in-interest

** Stated at Contract Value on Schedule H

AIR CONDITIONING INNOVATIVE SOLUTIONS, INC
401(k) PLAN

Financial Statements

And

Independent Auditor's Report

For the Year Ending December 31, 2018

Kelly Grimes, CPA

Air Conditioning Innovative Solutions, Inc. 401(k) Plan

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Kelly Grimes, CPA

INDEPENDENT AUDITOR'S REPORT

To the Administrative Committee of
Air Conditioning Innovative Solutions, Inc. 401(k) Plan

Report on the Financial Statements

I was engaged to audit the accompanying financial statements of Air Conditioning Innovative Solutions, Inc. 401(k) Plan, which comprise the statements of net assets available for benefits as of December 31, 2018 and 2017, and the related statements of changes in net assets available for benefits for the years then ended, 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

My responsibility is to express an opinion on these financial statements based on conducting the audits 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, I was 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 me not to perform, and I did not perform, any auditing procedures with respect to the information summarized in Note E, which was certified by Mass Mutual, the trustee of the Plan, except for comparing the information with the related information included in the financial statements. I have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2018 and 2017, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

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

Other Matter

The supplemental schedules of Assets Held for Investment Purposes as of or for the year ended December 31, 2018 and 2017, are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, I do not express an opinion on the supplemental schedules referred to above.

Phone: 903-564-5806
Fax: 903-564-7886
info@kellygrimescpa.com

117 E MAIN ST STE 100
WHITESBORO, TX 76273

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 schedules, other than that derived from the information certified by the trustee, have been audited by me in accordance with auditing standards generally accepted in the United States of America and, in my 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.

Kelly Grimes, CPA

Whitesboro, Tx
August 15, 2019

FINANCIAL STATEMENTS

Air Conditioning Innovative Solutions, Inc. 401(k) Plan

Statement of Net Assets Available for Benefits

As of December 31, 2018 and December 31, 2017

	2018	2017
Assets		
Investments, at Fair Value:		
Mutual Funds	$ 6,039,196	$ 7,085,831
Group Annuity Contract	2,707	552
Total Investments	6,041,903	7,086,383
Receivables		
Notes Receivable From Participants	182,882	176,927
Total Assets	6,224,785	7,263,310
Liabilities		
Payable to Plan Sponsor	-	-
Total Liabilities	-	-
Net assets Reflecting Investments at Fair Value	6,224,785	7,263,310
Adjustment from Fair Value to Contract Value	132	19
Net Assets Available for Benefits	$ 6,224,917	$ 7,263,329

The accompanying notes are an integral part of these financial statements.

Air Conditioning Innovative Solutions, Inc. 401(k) Plan

Statement of Changes in Net Assets Available for Benefits

For the Years Ended December 31, 2018 and December 31, 2017

	2018	2017
Additions to Net Assets Attributed to:		
Contributions and Deferrals		
Employer Matching Contributions	$ 351,574	$ 296,811
Participants' Salary Deferrals	468,327	429,383
Rollover	-	82,952
Roth Contributions	24,614	9,796
Total Contributions and Deferrals	844,515	818,942
Investment Income		
Net Appreciation (Depreciation) in Fair Value of Investments	(506,448)	1,023,558
Other Income	21,916	-
Interest	13,630	9,990
Net Investment Income	(470,902)	1,033,548
Total Additions to net	373,613	1,852,490
Deductions from net Assets Attributed to:		
Benefits and Rollovers Paid to Participants	1,393,129	358,357
Administrative Expenses	21,915	14,633
Participant Paid Fees	1,824	1,008
Total Deductions from Net Assets	1,416,868	373,998
Net Increase (Decrease) in Net Assets	(1,043,255)	1,478,492
Net Assets Available for Benefits		
Beginning of Year	7,263,329	5,784,837
Prior Year Adjustment	4,843	
End of Year	$ 6,224,917	$ 7,263,329

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

NOTE A- Description of Plan

The following description of the Air Conditioning Innovative Solutions, Inc. 401(k) 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 with a salary deferral arrangement established under section 401(k) of the Internal Revenue Code. The Plan was originally established by Air Conditioning Innovative Solutions, Inc. ("the Company") on January 7, 2003 to provide retirement, death and disability benefits for eligible employees ("Participants"). The employers are referred to herein as Air Conditioning Innovative Solutions, Inc. All employees who have completed three months of service with Air Conditioning Innovative Solutions, Inc., are eligible to make salary deferrals and receive matching contributions. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA) and certain provisions of the Internal Revenue Code.

Contributions

Participants may contribute to the Plan an amount up to 100% of their annual eligible compensation, not to exceed the Internal Revenue Code Section 402(g) limit. Participants also allocate their respective contributions between various types of mutual fund investments.

Air Conditioning Innovative Solutions, Inc. may also make employer matching and profit-sharing contributions. For the Plan year ended December 31, 2018, Air Conditioning Innovative Solutions, Inc. made matching contributions of $351,574.

Participants may also contribute amounts rolled over from other qualified Plans and if the Participants are 50 years of age or older, they may elect to defer additional amounts (called "catch-up" contributions) to the Plan. The additional amounts may be deferred regardless of any other limitation on the amount that a Participant may defer to the Plan.

Participant Accounts

Each Participant's account is credited with the Participant's contribution and allocations of Air Conditioning Innovative Solutions, Inc.'s matching contributions.

Employer matching contributions are allocated to each Participant's account based on
100% of employee contributions not to exceed 6% of their total compensation.

Certain fees are charged to the funds and are offset against Plan investment income and losses as presented on the statement of changes in net assets available for benefits. Participants should refer to the prospectuses of these funds for details on the various types and amounts of investment fees charged to the Plan and their individual accounts.

Investment Options

Upon enrollment in the Plan, a Participant directs employee contributions in percentage increments in any of eighteen pooled separate accounts offered by the Massachusetts Mutual Life Insurance Company. Employer contributions are also allocated according to Participants' investment choices. Participants may change their investment options at any time

Notes Receivable from Participants

Notes receivable from participants. Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50 percent of their vested account balance. The loans are secured by the balance in the participant's account. The loan interest rate, determined quarterly, is set at prime rate, as defined. Principal and interest are paid ratably through monthly payroll deduction.

Payment of Benefits

When the participants leave Air Conditioning Innovative Solutions, Inc., upon retirement or for any other reason, those Participants (or their beneficiaries) may receive the vested value of their salary deferrals, employer contributions, and rollovers plus earnings thereon. Participants with account balances greater than $5,000 may elect to receive the value of their accumulated Plan benefits in accordance with the provisions of the Plan in a lump-sum distribution or in an alternative manner mutually agreed upon by the Participant and the Plan administrator. Participants with account balances of $5,000 or below will receive the value of their account in a lump-sum distribution. In 2018, the plan added in-service distribution for participants at least age fifty-nine and a half at the time of the distribution. In the event the Participant dies before retirement, the beneficiary will receive the value of the Participant's vested account in a lump-sum distribution. However, if the deceased Participant's vested account balance is more than $5,000, the beneficiary may receive payment in an alternative manner mutually agreed upon by the beneficiary and the Plan administrator. In order to receive this distribution, Participants (or their beneficiaries) are required to file the appropriate forms with their Plan administrator. The value of their account will be determined as of the day of distribution.

Administration

An administrative committee consisting of one or more individuals appointed by Air Conditioning Innovative Solutions, Inc. administers the Plan.

Administrative Expenses

Certain investment fees are paid out of Plan assets and are offset against Plan investment income and losses. Substantially all administrative expenses of the Plan were paid for by Air Conditioning Innovative Solutions, Inc. and will not be reimbursed by the Plan. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses.

NOTE B- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates

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

Information Certified by the Massachusetts Mutual Life Insurance Company

Massachusetts Mutual Life Insurance Company (Mass Mutual) has prepared and certified as complete and accurate, the Plan's schedule of investment assets, transactions and net realized and unrealized losses on investments and interest income, which was used to prepare the accompanying financial statements and supplemental schedule.

Investment Valuation and Income Recognition

Investments are stated at fair value. See Note D for more information on fair value measurements.

Purchases and sales of securities are reflected on a trade date basis. Income is recorded as earned on an accrual basis. Dividends are recorded on the ex-dividend date.

Notes Receivable from Participants

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

Recognition of Benefit Payment

Benefits are recorded when paid.

Risk and Uncertainties

The Plan provides for various investment options in pooled separate accounts offered by Massachusetts Mutual Life Insurance Company. Such accounts are exposed to various risks, such as interest rate, market fluctuations and credit risks. Due to the level of risk associated with certain accounts, it is at least reasonably possible that change in risks in the near term would materially affect Participants' account balances and the amounts reported in the Statement of Net Assets Available for Benefits.

NOTE C- MASS MUTUAL FIXED ACCOUNT – GROUP ANNUITY CONTRACT ISSUED BY MASSASACHUSETTS MUTUAL LIFE LINSURANCE COMPANY (MASS MUTUAL)

Mass Mutual provides the Plan with a group annuity contract investment option. This contract is an obligation of Mass Mutual's general account which supports all of Mass Mutual's insurance and annuity commitments. Mass Mutual is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan.

Because the group annuity contract is fully benefit-responsive, contract value represents contributions plus credited interest less participant withdrawals and fees. The group annuity contract is presented on the face of the statement of net assets available for benefits at fair value with an adjustment to contract value in arriving at net assets available for benefits. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. There are no reserves against contract value for credit risk of the contract issuer or otherwise.

The group annuity contract does not permit the insurance company to terminate the agreement prior to the scheduled maturity date. The crediting interest rate is based on a Mass Mutual formula, but it may not be less than the "guaranteed minimum floor rate" that is set each calendar year. Both the average interest rate yield and the actual rate credited to the account for the group annuity contract was approximately 1.65% in 2018.

NOTE D- FAIR VALUE MEASUREMENTS

Investments in pooled separate accounts mirror the mutual funds they represent which are listed on national securities exchanges. Thus, the pooled separate accounts are valued at the last reported sales price of the funds on the last business day of the valuation period. In accordance with the policy of stating investments at fair value, net realized and unrealized appreciation (depreciation) for the year is reflected in the Statement of Changes in Net Assets Available for Benefits.

FASB ASC 820 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 FASB ASC 820 are described as follows:

Level 1

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

Level 2

Inputs to the valuation methodology include

- Quoted prices for similar assets or liabilities 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; and
- Inputs that are derived principally from or corroborated by market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability. 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 3

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

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

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

Mutual funds: Valued at the publicly quoted net asset value of shares held by the Plan at year end.

Guaranteed interest contract: Valued at market value of the underlying investments, including quoted prices for similar assets in active or non-active or inactive markets.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although 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.

Fair value hierarchy of the Plan for December 31, 2018 is as follows:

	Fair Value Measurements at December 31, 2018			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Other Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Totals
Mutual Funds	$ 6,039,196			$ 6,039,196
Group Annuity Contract		2,707		2,707
Participant Loans			182,882	182,882
Total Assets at Fair Value	$ 6,039,196	$ 2,707	$ 182,882	$ 6,224,785

The table below sets forth a summary of changes in the fair value of the Plan's level 3 assets for the year ended December 31, 2018:

	Level 3 Assets Participant Loans
Balance, Beginning of Year	$ 176,927
*Prior year Adjustment	4,843
Realized Gains/(Losses)	13,630
Unrealized Gains/(Losses)	
Purchases, Sales, and Settlements (Net)	(12,518)
Balance, End of Year	$ 182,882

* Deemed loans were written off in prior years in accordance with 5500

NOTE E- INVESTMENTS

The following investment balances were obtained from data prepared and certified as complete by Mass Mutual. Investments representing the Plan's net assets available for benefits as of the year ended December 31, 2018.

	2018	2017
FIXED ACCOUNT	$ 2,707	$ 552
PIONEER FUNDAMENTAL GROWTH	324,959	424,744
FIDELITY ADVISOR TOTAL BOND	241,919	215,776
EATON VANCE INCOME FUND OF BOSTON	8,141	66,468
JPMORGAN SMARTRETIREMENT 2020	329,044	458,055
JPMORGAN SMARTRETIREMENT 2025	690,769	932,976
JPMORGAN SMARTRETIREMENT 2030	185,966	159,398
JP MORGAN SMARTRETIREMENT 2035	1,529,053	1,656,196
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AB GLOBAL BOND	10,284	6,745
MFS VALUE R3	351,395	343,842
MM S&P MID CAP INDEX R4	189,346	160,895
MM S&P 500 INDEX R4	300,625	422,514
PARTICIPANT LOAN	182,882	176,927
	$ 6,224,785	$ 7,263,310

During 2018, the Plan's investments (including gains, losses and fees on investments bought and sold, as well as held during the year) appreciated in value by:

	2018
Mutual Funds	$ (506,927)
Fees	$ (1,824)
Group Annuity Contract	480
PARTICIPANT LOAN	13,630
	$ (494,641)

NOTE F- 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% vested in their accounts. The Company may direct that either (a) benefits to be distributed to the participants in any manner permitted by the Plan as soon as practicable, or (b) the trust created by the Plan to be continued and benefits be distributed to the participants or their beneficiaries as if the Plan had not terminated. A complete discontinuance of contributions by the Company shall constitute a Plan termination.

NOTE G- RELATED PARTY TRANSACTIONS

Certain Plan investments are managed by Mass Mutual, or UBS Financial Services, Inc., or other small companies. Mass Mutual and UBS Financial Services, Inc. are the account manager and plan representative respectively, as defined by the Plan, and therefore, fees paid to these institutions qualify as exempt party-in-interest transactions. Fees paid were $1,824 and $ 21,915 respectively. Indirect fees are not represented.

Notes receivable from participants also qualify as party-in-interest transactions but are exempt from the prohibited transaction rules of ERISA.

NOTE H- TAX STATUS

The volume submitter plan adopted by the Plan at January 7, 2003 obtained its most recent favorable notification letter on April 02, 2012, in which the Internal Revenue Service stated that the volume submitter plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code.

Accounting principles require Plan management to evaluate tax positions and recognize a tax liability (or asset) if the Plan has taken an uncertain tax position that more likely than not would not be sustained upon examination. Plan management has analyzed tax positions and has concluded 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 routine audits by taxing jurisdictions; however, there currently are no audits for any tax periods in progress. The Plan could be subject to income tax examination for open tax years. No provision for income taxes has been included in the Plan's financial statements.

NOTE I- RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the amounts reflected in the Form 5500 as filed by the Plan with the Employee Benefits Security Administration as of December 31, 2018 and December 31, 2017:

	2018	2017
Net Assets Available for Benefits per the Financial Statements:	$ 6,224,785	$ 7,263,310
*Deemed Loans	(26,985)	
Adjustment from Fair Value to Contract Value for Fully Benefit- Responsive Investment contract:	132	19
Net Assets Available for Benefits per Form 5500:	$ 6,197,932	$ 7,263,329

* Deemed loans were written off in prior years in accordance with Form 5500

NOTE J -PRIOR YEAR ADJUSTMENT

Deemed loans were recorded in prior year as write offs in accordance with Form 5500. In current year the beginning of the year was restated to include deemed loans in loan value changing the beginning numbers for the year. The change in loan value to include deemed loans from prior year is the amount of $ 4,843.

NOTE K -SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date of the independent accountant's audit report, the date on which the financial statements were available to be issued. Management has not identified any subsequent events that would materially affect the presentation of these financial statements.

SUPPLEMENTAL INFORMATION

Air Conditioning Innovative Solutions, Inc. 401(k) Plan

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* Party-in-interest

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