

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
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Part I	Annual Report Identification Information		
For calendar plan year 2018 or fiscal plan year beginning <u>01/01/2018</u> and ending <u>12/31/2018</u>			
A	This return/report is for:	☐ 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.)	
	☐ a single-employer plan ☐ the first return/report ☐ an amended return/report	☐ a DFE (specify) _____ ☐ the final return/report ☐ a short plan year return/report (less than 12 months)	
B	This return/report is:		
C	If the plan is a collectively-bargained plan, check here. ☐		
D	Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program	
	☐ special extension (enter description)		

Part II	Basic Plan Information —enter all requested information		
1a	Name of plan <u>HR1 401K SAVINGS PLAN</u>	1b	Three-digit plan number (PN) ▶ <u>333</u>
		1c	Effective date of plan <u>01/01/2004</u>
2a	Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>HR1</u> <u>2030 POWERS FERRY ROAD, SUITE 120</u> <u>ATLANTA, GA 30339</u>	2b	Employer Identification Number (EIN) <u>58-2055210</u>
		2c	Plan Sponsor's telephone number <u>770-541-7823</u>
		2d	Business code (see instructions) <u>561300</u>

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2019	RICHARD HICKS
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2018)
v. 171027

3a Plan administrator's name and address ☐ Same as Plan Sponsor THE HART GROUP, LTD 2030 POWERS FERRY ROAD, SUITE 120 ATLANTA, GA 30339	3b Administrator's EIN 58-2055210 3c Administrator's telephone number 770-541-7823
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	5 368
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 342 6a(2) 231 6b 0 6c 94 6d 325 6e 0 6f 325 6g 182 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: 2A 2E 2F 2G 2J 2K b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	

9a Plan funding arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

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

b General Schedules

- (1)** ☒ **H** (Financial Information)
- (2)** ☐ **I** (Financial Information – Small Plan)
- (3)** ☐ 0 **A** (Insurance Information)
- (4)** ☒ **C** (Service Provider Information)
- (5)** ☐ **D** (DFE/Participating Plan Information)
- (6)** ☐ **G** (Financial Transaction Schedules)

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2018 Form M-1 annual report. If the plan was not required to file the 2018 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider 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 HR1 401K SAVINGS PLAN	B Three-digit plan number (PN) ▶ 333
C Plan sponsor's name as shown on line 2a of Form 5500 HR1	D Employer Identification Number (EIN) 58-2055210

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

NATIONWIDE

ONE NATIONWIDE PLAZA
COLUMBUS, OH 43215

(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 49 58 59 60 63 64 99	INVESTMENT COMPANY	107547	Yes ☒ No ☐	Yes ☒ No ☐	4628	Yes ☐ No ☒

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

SAGEPOINT FINANCIAL

121 N. BUCHANAN STREET
BREMEN, GA 30110

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27 28	BROKER	0	Yes ☒ No ☐	Yes ☐ No ☒	75909	Yes ☐ No ☒

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

THE BENEFIT ADVANTAGE, INC.

3497 AUBURN ROAD
AUBURN HILLS, MI 48326

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 37 64	TPA	32231	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

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

MAULDIN & JENKINS CPA, LLC

200 GALLERIA PARKWAY SE, STE 1700
ATLANTA, GA 30339

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10	AUDITOR	27650	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

IRON-CO-FID--COMPREHENSIVE

630 DUNDEE ROAD STE 200
NORTHBROOK, IL 60062

26-2409128

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27 31	INVESTMENT ADVISORY	6375	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

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 HR1 401K SAVINGS PLAN	B Three-digit plan number (PN) ► 333
C Plan sponsor's name as shown on line 2a of Form 5500 HR1	D Employer Identification Number (EIN) 58-2055210

Part I	Asset and Liability Statement
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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)	56630	48984
(2) Participant contributions	1b(2)	56502	37796
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)	200415	130817
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	9974162	7701173
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	10287709	7918770

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	28356	5715
k Total liabilities (add all amounts in lines 1g through 1j)	1k	28356	5715

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	10259353	7913055
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Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	192780	
(B) Participants	2a(1)(B)	503465	
(C) Others (including rollovers)	2a(1)(C)	21210	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		717455
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	6697	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		6697
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	-525903	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		-525903
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		198249

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1362017	
(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)		1362017
f Corrective distributions (see instructions)	2f		5715
g Certain deemed distributions of participant loans (see instructions)	2g		69300
h Interest expense	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)		
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		0
j Total expenses. Add all expense amounts in column (b) and enter total	2j		1437032

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-1238783
l Transfers of assets:			
(1) To this plan.....	2l(1)		21493
(2) From this plan.....	2l(2)		1129008

Part III Accountant's Opinion

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

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

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

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

☒ Yes ☐ No

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

(1) Name: MAULDIN & JENKINS, LLC

(2) EIN: 58-0692043

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

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

Part IV Compliance Questions

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

During the plan year:

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

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

	Yes	No	Amount
4a	X		45166
4b		X	

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

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

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)
SANIBEL PROPERTY MANAGEMENT/ISLAND MANAGEMENT G	56-2464657	001

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ☐ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____. (See instructions.)

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 <u>HR1 401K SAVINGS PLAN</u>	B Three-digit plan number (PN) ▶ <u>333</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>HR1</u>	D Employer Identification Number (EIN) <u>58-2055210</u>

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

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>31-4156830</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	

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

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

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

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

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

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

Schedule R (Form 5500) 2018
v. 171027

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

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

a The current year

b The plan year immediately preceding the current plan year

c The second preceding plan year

14a**14b****14c**

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

a The corresponding number for the plan year immediately preceding the current plan year

b The corresponding number for the second preceding plan year

15a**15b**

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

a Enter the number of employers who withdrew during the preceding plan year

b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers

16a**16b**

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

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

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

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

- a** Enter the percentage of plan assets held as:

Stock: 0.0 % 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): _____

HR1 401(K) SAVINGS PLAN

FINANCIAL REPORT

DECEMBER 31, 2018

HR1 401(K) SAVINGS PLAN

FINANCIAL REPORT DECEMBER 31, 2018

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INDEPENDENT AUDITOR'S REPORT

**To the Board of Trustees
HR1 401(k) Savings Plan
Atlanta, Georgia**

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of **HR1 401(k) Savings Plan**, which comprise the statements of net assets available for benefits as of December 31, 2018 and 2017, and the related statement of changes in net assets available for benefits for the year ended December 31, 2018, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the 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, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by Nationwide Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of December 31, 2018 and 2017, and for the year ended December 31, 2018, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

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

Other Matter

The supplemental Schedule of Assets (Held at End of Year) and Schedule of Delinquent Participant Contributions 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, we do not express an opinion on the supplemental schedules referred to above.

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

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

Mauldin & Jenkins, LLC

Atlanta, Georgia
October 8, 2019

HR1 401(K) SAVINGS PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
ASSETS		
Investments at fair value:		
Mutual funds	<u>\$ 7,701,173</u>	<u>\$ 9,974,162</u>
Receivables:		
Employer's contributions	48,984	56,630
Participant contributions	37,796	56,502
Notes receivable from participants	<u>130,817</u>	<u>200,415</u>
Total receivables	<u>217,597</u>	<u>313,547</u>
Total assets	<u>7,918,770</u>	<u>10,287,709</u>
LIABILITIES		
Excess contributions payable	<u>5,715</u>	<u>28,356</u>
Total liabilities	<u>5,715</u>	<u>28,356</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 7,913,055</u></u>	<u><u>\$ 10,259,353</u></u>

See Notes to Financial Statements.

HR1 401(K) SAVINGS PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEAR ENDED DECEMBER 31, 2018

Additions to net assets attributed to:

Investment income (loss):	
Net depreciation in fair value of investments	\$ (836,774)
Interest and dividends	310,871
Total investment loss	<u>(525,903)</u>
Interest income on notes receivable from participants	<u>6,697</u>
Contributions:	
Employer	192,780
Participant	497,750
Rollover	21,210
Total contributions	<u>711,740</u>
Total additions	<u>192,534</u>

Deductions from net assets attributed to:

Benefits paid to participants	<u>1,431,317</u>
Net decrease	<u>(1,238,783)</u>
Transfers in	21,493
Transfers out	(1,129,008)

Net assets available for benefits:

Beginning of year	<u>10,259,353</u>
End of year	<u><u>\$ 7,913,055</u></u>

See Notes to Financial Statements.

HR1 401(K) SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE 1. DESCRIPTION OF PLAN

The following description of HR1 (the "Company") 401(k) Savings Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General:

The Plan is a multiple-employer defined contribution plan covering all eligible employees included within HR1 and its affiliates and other employers (the "Group"), who are a minimum of 21 years of age and have completed the requisite service length. It is subject to the provisions of ERISA. During 2018, one employer joined the Plan and transferred its employees' accounts into the Plan, and one employer left the Plan and transferred its employees' accounts to other various qualified plans. The Board of Trustees is responsible for oversight of the Plan. The Board of Trustees determines the appropriateness of the Plan's investment offerings and monitors investment performance.

Contributions:

Each year, participants may contribute up to the maximum percentage allowable of annual compensation, as defined in the Plan. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans (rollover). Participants direct the investment of their contributions and any employer contributions into various investment options offered by the Plan. The Plan currently offers various mutual funds as investment options for participants. Individual companies within the Group may make discretionary and/or matching contributions to all eligible participants of the contributing company. Discretionary contributions are allocated to eligible participants based on the ratio of the eligible participant's compensation to the total of all eligible participants' compensation of the contributing company.

Participant Accounts:

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. DESCRIPTION OF PLAN (Continued)

Vesting:

Participants are vested immediately in their voluntary contributions plus actual earnings thereon. Vesting in their individual company's contribution portion of their accounts is determined by the individual employer.

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 half of their account balance. The loans are secured by the balance in the participant's account. The loan interest rate, determined quarterly, is determined by the plan administrator. Principal and interest are paid ratably through monthly payroll deductions.

Payment of Benefits:

On termination of service due to death, disability, or retirement, distributions under the Plan are made in lump-sum payments or annuity form. For termination of service for other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution. Hardship withdrawals are permitted.

Plan Transfers:

The Company is a professional employer organization and, as such, has companies transfer into and out of the Plan on a regular basis. During 2018, the Plan had \$21,493 of transfers in related to The Servo Group, Inc. on November 7, 2018, and \$1,129,008 in transfers out related to Sanibel Property Management on November 30, 2018.

Forfeited Accounts:

At December 31, 2018 and 2017, forfeited non-vested accounts totaled \$40 and \$13,981, respectively. These accounts will be used to reduce future employer contributions or pay Plan expenses. During 2018, \$15,784 of forfeited accounts were used to pay Plan expenses.

NOTE 2. SUMMARY OF ACCOUNTING POLICIES

Basis of Accounting:

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

NOTES TO FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF ACCOUNTING POLICIES (Continued)

Use of Estimates:

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

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 or 2017. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

Investment Valuation and Income Recognition:

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 3 for discussion of fair value measurements.

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

Excess Contributions Payable

Amounts payable to participants for contributions in excess of amounts allowed by the IRS are recorded as a liability with a corresponding reduction to contributions. The Plan distributed the 2018 excess contributions to the applicable participants prior to March 15, 2019.

Payment of Benefits:

Benefits are recorded when paid.

Administrative Expenses:

Transaction-related and administrative fees of the Plan are paid by the Plan. A proportionate share of fees and expenses paid by the Plan is charged to each participant's account and included in net depreciation in fair value of investments.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF ACCOUNTING POLICIES (Continued)

Subsequent Events:

The Plan has evaluated subsequent events through October 8, 2019, the date on which the financial statements were available to be issued.

NOTE 3. FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). 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 in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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

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

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

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 3. FAIR VALUE MEASUREMENTS (Continued)

The following table sets forth by level, within the fair value hierarchy, the Plan's fair value measurements as of December 31, 2018:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds	\$ 7,701,173	\$ -	\$ -	\$ 7,701,173
Total investments at fair value	<u>\$ 7,701,173</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,701,173</u>

The following table sets forth by level, within the fair value hierarchy, the Plan's fair value measurements as of December 31, 2017:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds	\$ 9,974,162	\$ -	\$ -	\$ 9,974,162
Total investments at fair value	<u>\$ 9,974,162</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,974,162</u>

For the years ended December 31, 2018 and 2017, there were no transfers between levels 1 and 2 and no transfers in or out of level 3.

NOTE 4. INVESTMENTS CERTIFIED BY PLAN TRUSTEE

The following is a summary of unaudited information regarding the Plan as of December 31, 2018 and 2017, and for the year ended December 31, 2018, included in the Plan's financial statements and the supplemental Schedule of Assets (Held at End of Year), that was prepared by or derived from information prepared by Nationwide Trust Company ("Nationwide"), the trustee of the Plan, and furnished to the plan administrator. The plan administrator has obtained certifications from the trustee that such information is complete and accurate.

	<u>2018</u>	<u>2017</u>
Statements of net assets available for benefits:		
Investments at fair value	\$ 7,701,173	\$ 9,974,162
Notes receivable from participants	130,817	200,415
Statement of changes in net assets available for benefits:		
Net depreciation in fair value of investments	\$ (836,774)	
Interest and dividends	310,871	
Interest income on notes receivable from participants	6,697	

Supplemental schedule: All investment balances and information included in the supplemental Schedule of Assets (Held at End of Year).

NOTES TO FINANCIAL STATEMENTS

NOTE 5. RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments are shares of mutual funds managed by Nationwide. Nationwide is the trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. Fees paid by the Plan to Nationwide for investment management services are included in net depreciation in fair value of investments.

NOTE 6. PLAN TERMINATION

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

NOTE 7. INCOME TAX STATUS

The IRS has determined and informed the Company by a letter dated March 31, 2008, that the Plan is designed in accordance with applicable sections of the Internal Revenue Code ("IRC"). Although the Plan has been amended since receiving the determination letter, the plan administrator believes that the Plan is designed and currently being operated in compliance with the applicable requirements of the IRC and therefore believes that the Plan is qualified.

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

NOTE 8. RISKS AND UNCERTAINTIES

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

NOTE 9. PROHIBITED TRANSACTIONS

Certain participant contributions were not remitted to the Plan within the time frame specified by the Department of Labor's Regulation 29 CFR 2510.3-102, thus constituting nonexempt transactions between the Plan and the Company during the 2018 Plan year. Late remittances during 2018 amounted to \$45,166. The Company is in the process of taking corrective actions for these 2018 late remittances.

SUPPLEMENTAL INFORMATION

HR1 401(K) SAVINGS PLAN

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR) EMPLOYER IDENTIFICATION NUMBER 58-2055210, PLAN 333 DECEMBER 31, 2018

(a) Party-in- Interest	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment (Maturity Date, Rate of Int, Collateral, Par or Maturity Value)	(d) Cost	(e) Current Value
	Fidelity Advisor Growth & Income I	Mutual Fund	**	\$ 40,270
	Fidelity Advisor Large Cap I	Mutual Fund	**	22,796
	Ivy High Income I	Mutual Fund	**	1,290
	Wells Fargo Adjustable Rate Government Fund - Class Inst	Mutual Fund	**	4,337
	ClearBridge Large Cap Growth	Mutual Fund	**	964,813
	Oakmark Equity and Income Investor	Mutual Fund	**	18,035
	T. Rowe Price Blue Chip Growth	Mutual Fund	**	80,418
	Victory Sycamore Established Value I	Mutual Fund	**	114,086
	PIMCO International Bond Fund (U.S. Dollar-Hedged) Institutional	Mutual Fund	**	34,334
	Fidelity Advisor Total Bond I	Mutual Fund	**	68,340
	Vanguard Target Retirement 2060 Fund Investor Shares	Mutual Fund	**	564
*	Nationwide Geneva Small Cap Growth Fund Institutional Service	Mutual Fund	**	215,715
	Goldman Sachs Intl Sm Cp Insights Instl	Mutual Fund	**	1,434
	Vanguard 500 Index Admiral	Mutual Fund	**	25,242
	Vanguard Balanced Index Adm	Mutual Fund	**	2,027,682
	Vanguard Total Bond Market Index Adm	Mutual Fund	**	92,918
	Vanguard Total Intl Stock Index Admiral	Mutual Fund	**	11,651
	T. Rowe Price Personal Strat Gr	Mutual Fund	**	396,277
	Vanguard Total Stock Mkt Idx Adm	Mutual Fund	**	197,489
	Vanguard Inflation-Protected Secs Adm	Mutual Fund	**	21,789
	Vanguard Short-Term Federal Fund Admiral Shares	Mutual Fund	**	4,101
	Vanguard Wellesley Income Admiral	Mutual Fund	**	65,283
	Lord Abbett Short Duration Income R5	Mutual Fund	**	114,440
	DFA US Small Cap I	Mutual Fund	**	5,163
	Cohen & Steers Real Estate Securities I	Mutual Fund	**	40,059
	Federated Government Obligation	Mutual Fund	**	206,428
	Baird Core Plus Bond Inst	Mutual Fund	**	511,900
	Fidelity Advisor Short-Term Bond I	Mutual Fund	**	21,645
	TIAA-CREF Lifecycle Index 2015 Instl	Mutual Fund	**	7,203
	TIAA-CREF Lifecycle Index 2020 Instl	Mutual Fund	**	338,091
	TIAA-CREF Lifecycle Index 2025 Instl	Mutual Fund	**	52,004
	TIAA-CREF Lifecycle Index 2030 Instl	Mutual Fund	**	311,950
	TIAA-CREF Lifecycle Index 2035 Instl	Mutual Fund	**	93,258
	TIAA-CREF Lifecycle Index 2040 Instl	Mutual Fund	**	121,201
	TIAA-CREF Lifecycle Index 2045 Instl	Mutual Fund	**	111,292
	TIAA-CREF Lifecycle Index 2050 Instl	Mutual Fund	**	10,424
	TIAA-CREF Lifecycle Index 2055 Instl	Mutual Fund	**	4,445
	TIAA-CREF Lifecycle Index 2060 Instl	Mutual Fund	**	985
	Artisan International Value Instl	Mutual Fund	**	479,065
	JPMorgan Equity Income R5	Mutual Fund	**	463,258
	Fidelity Advisor Equity Growth I	Mutual Fund	**	16,269
	Federated Instl High Yield Bond Instl	Mutual Fund	**	96,271
	Fidelity Advisor Balanced I	Mutual Fund	**	44,114
	Principal MidCap Value III Instl	Mutual Fund	**	28,845
	American Funds New World R6	Mutual Fund	**	195,001
	Self-Directed Brokerage Accounts	Mutual Fund	**	302
	Vanguard Target Retirement 2035 Fund Investor Shares	Mutual Fund	**	732
	Vanguard Target Retirement 2025 Fund Investor Shares	Mutual Fund	**	17,964
*	Notes receivable from participants	Interest Rates (4.25% to 6.67%)	-	130,817
				<u>\$ 7,831,990</u>

* Represents a Party-In-Interest

** Cost information is not provided as investments are participant directed.

HR1 401(K) SAVINGS PLAN

SCHEDULE H, LINE 4a - SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS

Employer Identification Number 58-2055210, Plan 333

Year Ended December 31, 2018

Participant Contributions Transferred Late to Plan	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
Check here if Late Participant Loan Repayments are included:	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
\$ 45,166	\$ 45,166	\$ -	\$ -	

Multiple-Employer Plan Participating Employer Information

HR1 - EIN: 58-2055210 - PN 333

(a) Name of participating	(b) EIN	(c) Percent of Total Contributions
A.C.T. Services	58-2418724	4.62%
Ajay N. America LLC	58-2190984	21.90%
Austin Brown, Inc	58-1633257	9.95%
BDJ Enterprises, LLC	26-0200323	1.84%
Compact Container Services - term 2/16/18	58-2334894	0.47%
Crain Law Group, LLC	61-6754540	0.02%
Dorfzaun Eye Care	38-4468703	5.34%
DSA Inc (Deutsch Steinzeug America)	58-1370316	5.07%
QIPC-EAE Americas Ltd./Ewert America Electronics Ltd	58-1871538	4.87%
First Medical Care, Inc.	58-1716416	4.05%
HR1 Services LLC/MED1, MD1 FL AND MD1 GA, Hart C	58-2055210	4.17%
Legacy Shamrock Community, LL	27-1761971	0.05%
Lovejoy Enterprises, Inc.	30-0137064	0.00%
M&S Steel	58-1705022	10.18%
Mark Dickinson OD PC	58-1594648	1.09%
Millennium Seating - term 6/15/18	46-2764793	0.00%
Mini-Jobs, Inc	58-2103445	0.28%
Southeastern Transfer Co.	58-0641703	0.39%
The Hamilton Group	83-0345877	7.92%
The Servo Group (new 6/24/18)	93-1169490	7.99%
VE Brackett Company	58-1209104	6.83%
West Georgia Family Medicine, PC	57-1174075	2.99%

HR1 401(K) SAVINGS PLAN

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR) EMPLOYER IDENTIFICATION NUMBER 58-2055210, PLAN 333 DECEMBER 31, 2018

(a) Party-in- Interest	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment (Maturity Date, Rate of Int, Collateral, Par or Maturity Value)	(d) Cost	(e) Current Value
	Fidelity Advisor Growth & Income I	Mutual Fund	**	\$ 40,270
	Fidelity Advisor Large Cap I	Mutual Fund	**	22,796
	Ivy High Income I	Mutual Fund	**	1,290
	Wells Fargo Adjustable Rate Government Fund - Class Inst	Mutual Fund	**	4,337
	ClearBridge Large Cap Growth	Mutual Fund	**	964,813
	Oakmark Equity and Income Investor	Mutual Fund	**	18,035
	T. Rowe Price Blue Chip Growth	Mutual Fund	**	80,418
	Victory Sycamore Established Value I	Mutual Fund	**	114,086
	PIMCO International Bond Fund (U.S. Dollar-Hedged) Institutional	Mutual Fund	**	34,334
	Fidelity Advisor Total Bond I	Mutual Fund	**	68,340
	Vanguard Target Retirement 2060 Fund Investor Shares	Mutual Fund	**	564
*	Nationwide Geneva Small Cap Growth Fund Institutional Service	Mutual Fund	**	215,715
	Goldman Sachs Intl Sm Cp Insights Instl	Mutual Fund	**	1,434
	Vanguard 500 Index Admiral	Mutual Fund	**	25,242
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	Vanguard Total Bond Market Index Adm	Mutual Fund	**	92,918
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	T. Rowe Price Personal Strat Gr	Mutual Fund	**	396,277
	Vanguard Total Stock Mkt Idx Adm	Mutual Fund	**	197,489
	Vanguard Inflation-Protected Secs Adm	Mutual Fund	**	21,789
	Vanguard Short-Term Federal Fund Admiral Shares	Mutual Fund	**	4,101
	Vanguard Wellesley Income Admiral	Mutual Fund	**	65,283
	Lord Abbett Short Duration Income R5	Mutual Fund	**	114,440
	DFA US Small Cap I	Mutual Fund	**	5,163
	Cohen & Steers Real Estate Securities I	Mutual Fund	**	40,059
	Federated Government Obligation	Mutual Fund	**	206,428
	Baird Core Plus Bond Inst	Mutual Fund	**	511,900
	Fidelity Advisor Short-Term Bond I	Mutual Fund	**	21,645
	TIAA-CREF Lifecycle Index 2015 Instl	Mutual Fund	**	7,203
	TIAA-CREF Lifecycle Index 2020 Instl	Mutual Fund	**	338,091
	TIAA-CREF Lifecycle Index 2025 Instl	Mutual Fund	**	52,004
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	TIAA-CREF Lifecycle Index 2035 Instl	Mutual Fund	**	93,258
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	TIAA-CREF Lifecycle Index 2045 Instl	Mutual Fund	**	111,292
	TIAA-CREF Lifecycle Index 2050 Instl	Mutual Fund	**	10,424
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*	Notes receivable from participants	Interest Rates (4.25% to 6.67%)	-	130,817
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