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 11/01/2018 and ending 10/31/2019

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
HISCO 401(K) PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 02/01/1972

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)
HIS COMPANY, INC.

6650 CNCORD PARK DRIVE
HOUSTON, TX 77040

2b Employer Identification Number (EIN)
74-1697282

2c Plan Sponsor's telephone number
713-934-1673

2d Business code (see instructions)
424990

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.	08/14/2020	IRMA CROTEAU
	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**	452
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)**	386
a(2) Total number of active participants at the end of the plan year	**6a(2)**	375
b Retired or separated participants receiving benefits	**6b**	1
c Other retired or separated participants entitled to future benefits	**6c**	96
d Subtotal. Add lines **6a(2)**, **6b**, and **6c**	**6d**	472
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	1
f Total. Add lines **6d** and **6e**.	**6f**	473
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	471
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	26
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 2S 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)	[ ]	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)	[ ]	Insurance
(2)	[ ]	Code section 412(e)(3) insurance contracts
(3)	[X]	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)	[ ]	**A** (Insurance Information)
(4)	[X]	**C** (Service Provider Information)
(5)	[ ]	**D** (DFE/Participating Plan Information)
(6)	[ ]	**G** (Financial Transaction Schedules)

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

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

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

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

11c Enter the Receipt Confirmation Code for the 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)	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 11/01/2018 and ending 10/31/2019

A Name of plan
HISCO 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

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

D Employer Identification Number (EIN)
74-1697282

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(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)

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(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?
37 64 65	RECORDKEEPER	36936	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [ ] No [X]

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

STRATEGIC ADVISORS, INC.

04-2654524

(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	ADVISOR	6173	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

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

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

(complete as many entries as needed)

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500)

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 11/01/2018 and ending 10/31/2019

A Name of plan
HISCO 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

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

D Employer Identification Number (EIN)
74-1697282

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 reported 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	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	0
(2) Participant contributions	1b(2)	0	0
(3) Other	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	0	2007
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans	1c(8)	973189	1089192
(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)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	18207063	23230809
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)	11908097	11204914

			(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)	0	0
e	Buildings and other property used in plan operation	1e	0	0
f	Total assets (add all amounts in lines 1a through 1e)	1f	31088349	35526922
	Liabilities			
g	Benefit claims payable	1g	0	0
h	Operating payables	1h	0	0
i	Acquisition indebtedness	1i	0	0
j	Other liabilities	1j	0	0
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	31088349	35526922

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)	1194079	
	(B) Participants	2a(1)(B)	1434986	
	(C) Others (including rollovers)	2a(1)(C)	661249	
	(2) Noncash contributions	2a(2)	0	
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		3290314
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	19	
	(B) U.S. Government securities	2b(1)(B)	0	
	(C) Corporate debt instruments	2b(1)(C)	0	
	(D) Loans (other than to participants)	2b(1)(D)	0	
	(E) Participant loans	2b(1)(E)	47599	
	(F) Other	2b(1)(F)	454904	
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		502522
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)	0	
	(B) Common stock	2b(2)(B)	0	
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	952508	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		952508
	(3) Rents	2b(3)		0
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)	0	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)	0	
	(B) Other	2b(5)(B)	0	
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		1689150
c Other income	2c		0
d Total income. Add all **income** amounts in column (b) and enter total	2d		6434494
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1941917	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		1941917
f Corrective distributions (see instructions)	2f		8287
g Certain deemed distributions of participant loans (see instructions)	2g		2608
h Interest expense	2h		0
i Administrative expenses: (1) Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	0	
(3) Investment advisory and management fees	2i(3)	6173	
(4) Other	2i(4)	36936	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		43109
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		1995921
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		4438573
l Transfers of assets:			
(1) To this plan	2l(1)		0
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

(1) Name: WEAVER AND TIDWELL LLP **(2)** EIN: 75-0786316

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		154179
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		11469
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		X	

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 11/01/2018 and ending 10/31/2019

A Name of plan
HISCO 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

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

D Employer Identification Number (EIN)
74-1697282

Part I Distributions

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

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

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

EIN(s): 04-6568107

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):

HISCO 401(k) Plan

Financial Report

October 31, 2019

weaver

Assurance • Tax • Advisory

CONTENTS

Page

Independent Auditor's Report 1

Financial Statements

Statements of Net Assets Available for Benefits 3

Statements of Changes in Net Assets Available for Benefits 4

Notes to Financial Statements 5

Supplementary Information

Schedule H, Line 4a – Schedule of Delinquent Participant Contributions 12

Schedule H, Line 4i – Schedule of Assets (Held at End of Year) 13

All other schedules required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 are omitted because of the absence of the conditions under which they would apply.

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Independent Auditor's Report

To the Plan Management and Administrator of the
HISCO 401(k) Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of HISCO 401(k) Plan (the Plan), which comprise the statements of net assets available for benefits as of October 31, 2019 and 2018, the related statement of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). 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 information summarized in Note 3, which was certified by Fidelity Workplace Services, Inc. as of October 31, 2019 and 2018, and for the year ended October 31, 2019, and for the period from October 1, 2018 through October 31, 2018, and Massachusetts Mutual Life Insurance Company the Trustee of the Plan for the period from November 1, 2017 through September 30, 2018, except for comparing such information with the related information included in the financial statements and supplementary information. We have been informed by the Plan administrator that the Trustees hold the Plan's investment assets and execute investment transactions. The Plan administrator has obtained certifications from the Trustees, Fidelity, as of and for the year ended October 31, 2019, and for the period from October 1, 2018 through October 31, 2018, and Mass Mutual for the period from November 1, 2017 through September 30, 2018, that the information provided to the Plan administrator by the Trustees 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.

The Plan Management and Administrator of the
HISCO 401(k) Plan

Other Matter – Supplementary Information

The supplementary information listed in the table of contents as of October 31, 2019 is required by DOL's Rules and Regulations for Reporting and Disclosure under ERISA and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on the supplementary information.

Report on Form and Content in Compliance with Department of Labor Rules and Regulations

The form and content of the information included in the financial statements and supplementary information, other than that derived from the information certified by the Trustees, 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.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Houston, Texas
August 13, 2020

HISCO 401(k) Plan

Statements of Net Assets Available for Benefits
October 31, 2019 and 2018

	2019	2018
ASSETS		
Investments, at fair value	$ 23,232,816	$ 18,207,063
Investments, at contract value	11,204,914	11,908,097
Total investments	34,437,730	30,115,160
Receivables		
Employer's contribution	1,116,360	1,193,538
Participant's contribution	-	138,823
Notes receivable from partcipants	1,089,192	973,189
Total receivables	2,205,552	2,305,550
Total assets	36,643,282	32,420,710
LIABILITIES	-	-
NET ASSETS AVAILABLE FOR BENEFITS	$ 36,643,282	$ 32,420,710

The Notes to Financial Statements are
an integral part of these statements.

HISCO 401(k) Plan

Statements of Changes in Net Assets Available for Benefits
Years Ended October 31, 2019 and 2018

	2019	2018
ADDITIONS		
Investment income		
Net appreciation (depreciation) in fair value of investments	$ 1,689,150	$ (992,164)
Interest and dividends	1,407,431	1,985,597
Net investments income	3,096,581	993,433
Contributions		
Employer	1,116,901	1,198,476
Employee	1,296,163	1,233,884
Rollovers	661,249	42,551
Total contributions	3,074,313	2,474,911
Interest income on notes receivable from participants	47,599	30,194
Total additions	6,218,493	3,498,538
DEDUCTIONS		
Benefits paid directly to participants	1,952,812	2,573,926
Administrative expenses	43,109	16,176
Total deductions	1,995,921	2,590,102
Net increase in net assets available for benefits	4,222,572	908,436
NET ASSETS AVAILABLE FOR BENEFITS, beginning of year	32,420,710	31,512,274
NET ASSETS AVAILABLE FOR BENEFITS, end of year	$ 36,643,282	$ 32,420,710

The Notes to Financial Statements are an integral part of these statements.

HISCO 401(k) Plan

Notes to Financial Statements

Note 1. Plan Description

The following description of the HISCO 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 consists of a 401(k) salary deferral feature and a profit sharing feature. The profit sharing feature, which became effective February 1, 1972, is a discretionary, noncontributory defined contribution profit sharing plan covering all eligible employees of HIS Company, Inc. (the Company or Plan Sponsor). The Plan adopted the 401(k) salary deferral feature effective November 1, 2003. Employees become eligible to participate in the Plan on their date of employment. Effective November 1, 2016, the Plan was amended to add a requirement that participants must complete a 1,000-hour service requirement to be eligible to receive a discretionary employer contribution. Additionally, the Plan was amended to provide for automatic enrollment of employees hired on or after November 1, 2016 and a one-time automatic enrollment for current active employees not participating or participating at a deferral percentage of less than 3% of their compensation. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Contributions

For the 401(k) feature, each year participants may contribute a portion of their pretax annual compensation, as defined in the Plan. Participants may also contribute an amount representing distributions from other qualified defined benefit and defined contribution plans. Participants direct the investment of their contribution into various investment options offered by the Plan. There was no Company match for the years 2019 and 2018 and it is generally the Company's policy not to have such matching contributions. Contributions are subject to certain limitations.

For the profit sharing feature, Company contributions are discretionary and are allocated to participants pro-rata based upon the compensation of employees who are actively employed on the last day of the Plan year and have been credited with a year of service during the current year (1,000 hours), subject to a maximum compensation limitation of $120,000 for Plan purposes. During the years ended October 31, 2019 and 2018, the Company made a profit sharing contribution of $1,116,901 and $1,198,476, respectively.

The Plan allows participants, during a certain time of the Plan year, to roll money over from their account in a related plan offered by the Company, the HISCO Employee Stock Ownership Plan (ESOP Plan), into the Plan. Participants may also rollover amounts to the Plan representing distributions from other qualified defined benefit plans. Any such rollovers will be deposited into the participant's rollover balance. The Plan currently allows all rollovers to be withdrawn at any time, once per year.

Participant Accounts and Forfeitures

Each participant's account is credited with the participant's contribution, allocations of the Company's contribution, Plan forfeitures, Plan earnings, and is charged with any applicable administrative expenses related to transactions such as loan initiation or administration. Allocations are based on participant compensation and account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided by the participant's vested account balance. At October 31, 2019 and 2018, forfeited non-vested accounts totaled $216,375 and $108,515, respectively. During 2019 and 2018, Company contributions were reduced by $92,142 and $0, respectively, from forfeited nonvested accounts.

Vesting

Participants are immediately vested in their contributions to the Plan and allocated earnings thereon. Effective November 1, 2007, participants became fully vested in Employer contributions and allocated earnings at the rate of ten percent per year for the first two years and twenty percent per year thereafter with 100 percent vesting after six years. Forfeitures from terminated participants are allocated to the accounts of the remaining participants after a one-year break in service. Additionally, a participant becomes 100 percent vested upon death, total disability, termination of the Plan, or attainment of normal retirement age.

Distributions to Participants

Upon retirement, death, total disability or termination of employment, a participant (or the participant's beneficiary, if applicable) may elect to receive a lump sum distribution, or an annuity, payable over a period not to exceed the payee's expected life expectancy, providing their vested account balance exceeds $5,000. Participants may receive a hardship distribution from their vested account balances subject to certain limitations, as defined in the Plan agreement.

An employee may also take one withdrawal each calendar year that consists of a maximum of 20 percent of their vested balance in their account if the participant has at least five years of service. If the Participant has fewer than five years of service, he or she may not exceed the account balance as of the last date of the Plan year coincident with or next preceding a date 24 months prior to the date of the distribution. However, if the participant is under the age of fifty-nine and one-half years old, the distribution of 20 percent of his or her vested account balance may not come from salary deferral funds.

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 October 31, 2019 and 2018.

Note 2. Summary of Significant Accounting Policies

Basis of Accounting

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

Investment Valuation and Income Recognition

The Plan's investments are reported at fair value except for the fully benefit-responsive investment contract which is reported at contract value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's Investment Committee determines the Plan's valuation policies utilizing information provided by the investment advisers, custodians, and insurance company. See Note 4 for further discussion of fair value measurements.

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

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent notes receivable from participants are reclassified as distributions based upon the terms of the Plan agreement.

Use of Estimates

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

Payment of Benefits

Benefits are recorded when paid.

Operating Expenses

All expenses of maintaining the Plan are paid by the Plan Sponsor, with the exception of fees for loan initiation or administration, which are paid by the participants requesting such services. Administrative expenses paid by the participants totaled $43,109 and $16,176 for the years ended October 31, 2019 and 2018, respectively.

Income Tax Status

The Internal Revenue Service has determined and informed the Company by a letter dated March 31, 2014, 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, Plan management believes that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believes that the Plan is qualified, and the related trust is tax exempt.

New Accounting Pronouncements /Accounting Changes

In August 2018, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) No. 2018-13, Fair Value Measurement (Topic 820): Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurements. The ASU modifies the disclosure requirements on fair value measurements in Accounting Standards Codification Topic 820. The ASU is effective for all reporting periods beginning after December 15, 2019, with early adoption permitted. An entity may elect to early adopt any removed or modified disclosures upon issuance of this Update and delay the adoption of the additional disclosures until the effective date. The Company has elected to early adopt this ASU; however, it did not have a material effect on the Plan's financial statements.

Income Taxes

US GAAP requires 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 3. Information Certified by Plan's Trustees

All investment information disclosed in the accompanying financial statements and supplementary information, including investments held and notes receivable from participants at October 31, 2019 and 2018, and net (depreciation) appreciation in fair value of investments, investment income, and interest income on notes receivable from participants for the years ended October 31, 2019 and 2018 were obtained or derived from information provided to Plan management and certified as complete and accurate by the Trustees of the Plan as follows: Fidelity Workplace Services, LLC (Fidelity) for the year ended October 31, 2019, and for the period from October 1, 2018 through October 31, 2018, and Massachusetts Mutual Life Insurance Company (Mass Mutual), for the period from November 1, 2017 through September 30, 2018, and Fidelity Workplace Services LLC, (Fidelity) for the period October 1, 2018 through October 31, 2018.

Note 4. Fair Value Measurements

FASB Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) 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 October 31, 2019 and 2018.

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 Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

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

	2019	2018
Level 1:		
Mutual funds	$ 23,232,816	$ 18,207,063

Note 5. Guaranteed Annuity Contract

During 2019 and 2018, the Plan held a fully benefit-responsive Immediate Participation Group annuity contract (GAC) with MassMutual. MassMutual maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The GAC issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan. The crediting rate is based on a formula established by the contract issuer. The crediting rate is reviewed on a quarterly basis for resetting. The GAC does not permit the insurance company to terminate the agreement prior to the scheduled maturity date.

Because the GAC is fully benefit-responsive, contract value is the relevant measure for the GAC. Contract value, as reported to the Plan by MassMutual, represents contributions made under the contract, plus earnings, less participant withdrawals, and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

The following represents the disaggregation of contract value between types of investment contracts held by the Plan at October 31:

	2019	2018
Traditional investment contracts	$ 11,204,914	$ 11,908,097

The Plan's ability to receive amounts due is dependent on the issuer's ability to meet its financial obligations. The issuer's ability to meet its contractual obligations may be affected by future economic and regulatory developments. There are no reserves against contract value for credit risk of the contract issuer.

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include (1) amendments to the Plan documents (including complete or partial Plan termination or merger with another plan), (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Plan sponsor or other Plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA. Plan management believes that any events that would limit the Plan's ability to transact at contract value with participants are probable of not occurring.

In addition, certain events allow the issuer to terminate the contracts with the Plan and settle at an amount different from contract value. Such events include (1) a breach of material obligation under the contract, (2) a material misrepresentation, or (3) a material amendment to the agreement without the consent of the issuer.

Note 6. Plan Termination

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

Note 7. Risks and Uncertainties

The Plan invests in various investment securities that are exposed to various risks such as interest rates, market and credit risks. Market values of investments may decline for a number of reasons, including changes in prevailing market and interest rates, increases in defaults and credit rating downgrades. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in values of investment securities will occur in the near term and that some changes could materially affect participant account balances and the amounts reported in the statements of net assets available for benefits.

Note 8. Party in Interest Transactions

Certain Plan investments, including mutual funds managed by Fidelity and a guaranteed annuity contract managed by MassMutual, who were Trustees and record keepers of the Plan as of and for the year ended October 31, 2019, and for the period from October 1, 2018 through October 31, 2018, (Fidelity) and for the period from November 1, 2017 through September 30, 2018 (Mass Mutual), and, therefore, these transactions qualify as exempt party-in-interest transactions. Fees paid by the Plan for investment management services were included as a reduction of the return earned on each investment.

Note 9. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2019 and 2018 to Form 5500:

	2019	2018
Net assets available for benefits per the financial statements	$ 36,643,282	$ 32,420,710
Employer contributions receivable	(1,116,360)	(1,193,538)
Employee contributions receivable	-	(138,823)
Net assets available for benefits per Form 5500	$ 35,526,922	$ 31,088,349

The following is a reconciliation of the changes in net assets available for benefits per the financial statements for the years ended December 31, 2019 and 2018, to Form 5500:

	2019	2018
Increase in net assets available for benefits per the financial statement	$ 4,222,572	$ 908,436
Employer contributions receivable at December 31, 2018	1,193,538	(1,193,538)
Employee contribution receivable at December 31, 2018	138,823	(138,823)
Employer contributions receivable at December 31, 2019	(1,116,360)	-
Increase in net assets available for benefits per Form 5500	$ 4,438,573	$ (423,925)

Note 10. Subsequent Events

Plan Management's Review of Subsequent Events

The Plan has evaluated subsequent events through August 13, 2020, the date the financial statements were available to be issued and noted the following:

COVID-19

On March 11, 2020, the World Health Organization declared Coronavirus (COVID-19) a pandemic. The extent of the operational and financial impact the COVID-19 pandemic may have on the Plan Sponsor has yet to be determined and is dependent on its duration and spread, any related operational restrictions and the overall economy. The Plan Sponsor is unable to accurately predict how COVID-19 will affect the results of its operations or the Plan because the virus's severity and the duration of the pandemic are uncertain. Potential impacts include, but are not limited to, additional costs for responding to COVID-19, potential shortages of personnel, delays, loss of, or reduction to revenue and overall market decline. Management believes the Plan Sponsor is taking appropriate actions to respond to the pandemic. While the full impact is unknown and cannot be reasonably estimated, it could be material to the Plan's financial statements.

CARES Act

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was enacted into law. The CARES Act includes provisions that provide for changes to retirement plans. Plan management is in the process of reviewing the CARES Act and any resulting changes to the Plan.

Supplementary Information

HISCO 401(k) Plan

Schedule H, Line 4a – Schedule of Delinquent Participant Contributions

Plan #001 / EIN: 74-1697282

October 31, 2019

	Participant Contributions Transferred Late to Plan	Total that Constitutes Nonexempt Prohibited Transactions			
	Check here if late participant loan payments are included: ☑	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	Total Fully Corrected Under VFCP and PTE 2002-51
2019	$ 154,179	$ 154,179	$ -	$ -	$ -
2018	644,888	-	-	-	644,888

HISCO 401(k) Plan

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

Plan #001 / EIN: 74-1697282

October 31, 2019

(a)	(b) Identity of issue, borrower lessor, or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current Value
*	Fidelity	FID GOVT MMKT K6	**	$ 2,007
	T. Rowe Price	TRP BLUE CHIP GRTH I	**	2,356,343
	Vanguard	VANG MIDCAP IDX ADM	**	219,589
	Vanguard	VANG TOT INTL STK AD	**	998,612
	PGIM	PGIM TOTAL RTN BD R6	**	1,925,360
	American Funds	AF EUROPAC GROWTH R6	**	1,451,229
	American Funds	AF WASH MUTL INV R6	**	1,417,431
	BlackRock	BLKRK INFL PRO BD K	**	116,199
	Neuberger	NB STRATEGIC INC R6	**	298,392
	JP Morgan	JPM MID CAP GRTH R6	**	2,873,505
*	Fidelity	FID 500 INDEX	**	4,377,515
*	Fidelity	FID SM CAP IDX	**	2,312,386
*	Fidelity	FID FREEDOM 2010 K6	**	12,871
*	Fidelity	FID FREEDOM 2020 K6	**	378,196
*	Fidelity	FID FREEDOM 2030 K6	**	2,170,811
*	Fidelity	FID FREEDOM 2040 K6	**	1,097,945
*	Fidelity	FID FREEDOM 2050 K6	**	844,029
*	Fidelity	FID FREEDOM INC K6	**	237,328
*	Fidelity	Fid FREEDOM 2025 K6	**	211
*	Fidelity	Fid FREEDOM 2035 K6	**	63,025
*	Fidelity	Fid FREEDOM 2045 K6	**	66,637
*	Fidelity	Fid FREEDOM 2055 K6	**	9,083
*	Fidelity	Fid FREEDOM 2060 K6	**	3,951
*	Fidelity	Fid FREEDOM 2065 K6	**	161
	MassMutual	MassMutual Diversified SAGIC II	**	11,204,914
				34,437,730
*	Notes receivable from partcipants	Interest rates from 3.25% to 5.50% Maturity dates from 12/20/2019 to 07/27/2048		1,089,192
				$ 35,526,922

NOTE: The information on this schedule has been summarized from information provided by the custodian, which the custodian has certified as being complete and accurate.

(*) Party-in-interest

(**) Cost information is not applicable for participant directed investments.

HISCO 401(k) Plan

Financial Report

October 31, 2019

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Assurance • Tax • Advisory

CONTENTS

Page

Independent Auditor's Report 1

Financial Statements

Statements of Net Assets Available for Benefits 3

Statements of Changes in Net Assets Available for Benefits 4

Notes to Financial Statements 5

Supplementary Information

Schedule H, Line 4a – Schedule of Delinquent Participant Contributions 12

Schedule H, Line 4i – Schedule of Assets (Held at End of Year) 13

All other schedules required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 are omitted because of the absence of the conditions under which they would apply.

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Independent Auditor's Report

To the Plan Management and Administrator of the
HISCO 401(k) Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of HISCO 401(k) Plan (the Plan), which comprise the statements of net assets available for benefits as of October 31, 2019 and 2018, the related statement of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). 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 information summarized in Note 3, which was certified by Fidelity Workplace Services, Inc. as of October 31, 2019 and 2018, and for the year ended October 31, 2019, and for the period from October 1, 2018 through October 31, 2018, and Massachusetts Mutual Life Insurance Company the Trustee of the Plan for the period from November 1, 2017 through September 30, 2018, except for comparing such information with the related information included in the financial statements and supplementary information. We have been informed by the Plan administrator that the Trustees hold the Plan's investment assets and execute investment transactions. The Plan administrator has obtained certifications from the Trustees, Fidelity, as of and for the year ended October 31, 2019, and for the period from October 1, 2018 through October 31, 2018, and Mass Mutual for the period from November 1, 2017 through September 30, 2018, that the information provided to the Plan administrator by the Trustees 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.

The Plan Management and Administrator of the
HISCO 401(k) Plan

Other Matter – Supplementary Information

The supplementary information listed in the table of contents as of October 31, 2019 is required by DOL's Rules and Regulations for Reporting and Disclosure under ERISA and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on the supplementary information.

Report on Form and Content in Compliance with Department of Labor Rules and Regulations

The form and content of the information included in the financial statements and supplementary information, other than that derived from the information certified by the Trustees, 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.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Houston, Texas
August 13, 2020

HISCO 401(k) Plan

Statements of Net Assets Available for Benefits
October 31, 2019 and 2018

	2019	2018
ASSETS		
Investments, at fair value	$ 23,232,816	$ 18,207,063
Investments, at contract value	11,204,914	11,908,097
Total investments	34,437,730	30,115,160
Receivables		
Employer's contribution	1,116,360	1,193,538
Participant's contribution	-	138,823
Notes receivable from partcipants	1,089,192	973,189
Total receivables	2,205,552	2,305,550
Total assets	36,643,282	32,420,710
LIABILITIES	-	-
NET ASSETS AVAILABLE FOR BENEFITS	$ 36,643,282	$ 32,420,710

The Notes to Financial Statements are
an integral part of these statements.

HISCO 401(k) Plan

Statements of Changes in Net Assets Available for Benefits
Years Ended October 31, 2019 and 2018

	2019	2018
ADDITIONS		
Investment income		
Net appreciation (depreciation) in fair value of investments	$ 1,689,150	$ (992,164)
Interest and dividends	1,407,431	1,985,597
Net investments income	3,096,581	993,433
Contributions		
Employer	1,116,901	1,198,476
Employee	1,296,163	1,233,884
Rollovers	661,249	42,551
Total contributions	3,074,313	2,474,911
Interest income on notes receivable from participants	47,599	30,194
Total additions	6,218,493	3,498,538
DEDUCTIONS		
Benefits paid directly to participants	1,952,812	2,573,926
Administrative expenses	43,109	16,176
Total deductions	1,995,921	2,590,102
Net increase in net assets available for benefits	4,222,572	908,436
NET ASSETS AVAILABLE FOR BENEFITS, beginning of year	32,420,710	31,512,274
NET ASSETS AVAILABLE FOR BENEFITS, end of year	$ 36,643,282	$ 32,420,710

The Notes to Financial Statements are an integral part of these statements.

HISCO 401(k) Plan

Notes to Financial Statements

Note 1. Plan Description

The following description of the HISCO 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 consists of a 401(k) salary deferral feature and a profit sharing feature. The profit sharing feature, which became effective February 1, 1972, is a discretionary, noncontributory defined contribution profit sharing plan covering all eligible employees of HIS Company, Inc. (the Company or Plan Sponsor). The Plan adopted the 401(k) salary deferral feature effective November 1, 2003. Employees become eligible to participate in the Plan on their date of employment. Effective November 1, 2016, the Plan was amended to add a requirement that participants must complete a 1,000-hour service requirement to be eligible to receive a discretionary employer contribution. Additionally, the Plan was amended to provide for automatic enrollment of employees hired on or after November 1, 2016 and a one-time automatic enrollment for current active employees not participating or participating at a deferral percentage of less than 3% of their compensation. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Contributions

For the 401(k) feature, each year participants may contribute a portion of their pretax annual compensation, as defined in the Plan. Participants may also contribute an amount representing distributions from other qualified defined benefit and defined contribution plans. Participants direct the investment of their contribution into various investment options offered by the Plan. There was no Company match for the years 2019 and 2018 and it is generally the Company's policy not to have such matching contributions. Contributions are subject to certain limitations.

For the profit sharing feature, Company contributions are discretionary and are allocated to participants pro-rata based upon the compensation of employees who are actively employed on the last day of the Plan year and have been credited with a year of service during the current year (1,000 hours), subject to a maximum compensation limitation of $120,000 for Plan purposes. During the years ended October 31, 2019 and 2018, the Company made a profit sharing contribution of $1,116,901 and $1,198,476, respectively.

The Plan allows participants, during a certain time of the Plan year, to roll money over from their account in a related plan offered by the Company, the HISCO Employee Stock Ownership Plan (ESOP Plan), into the Plan. Participants may also rollover amounts to the Plan representing distributions from other qualified defined benefit plans. Any such rollovers will be deposited into the participant's rollover balance. The Plan currently allows all rollovers to be withdrawn at any time, once per year.

Participant Accounts and Forfeitures

Each participant's account is credited with the participant's contribution, allocations of the Company's contribution, Plan forfeitures, Plan earnings, and is charged with any applicable administrative expenses related to transactions such as loan initiation or administration. Allocations are based on participant compensation and account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided by the participant's vested account balance. At October 31, 2019 and 2018, forfeited non-vested accounts totaled $216,375 and $108,515, respectively. During 2019 and 2018, Company contributions were reduced by $92,142 and $0, respectively, from forfeited nonvested accounts.

Vesting

Participants are immediately vested in their contributions to the Plan and allocated earnings thereon. Effective November 1, 2007, participants became fully vested in Employer contributions and allocated earnings at the rate of ten percent per year for the first two years and twenty percent per year thereafter with 100 percent vesting after six years. Forfeitures from terminated participants are allocated to the accounts of the remaining participants after a one-year break in service. Additionally, a participant becomes 100 percent vested upon death, total disability, termination of the Plan, or attainment of normal retirement age.

Distributions to Participants

Upon retirement, death, total disability or termination of employment, a participant (or the participant's beneficiary, if applicable) may elect to receive a lump sum distribution, or an annuity, payable over a period not to exceed the payee's expected life expectancy, providing their vested account balance exceeds $5,000. Participants may receive a hardship distribution from their vested account balances subject to certain limitations, as defined in the Plan agreement.

An employee may also take one withdrawal each calendar year that consists of a maximum of 20 percent of their vested balance in their account if the participant has at least five years of service. If the Participant has fewer than five years of service, he or she may not exceed the account balance as of the last date of the Plan year coincident with or next preceding a date 24 months prior to the date of the distribution. However, if the participant is under the age of fifty-nine and one-half years old, the distribution of 20 percent of his or her vested account balance may not come from salary deferral funds.

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 October 31, 2019 and 2018.

Note 2. Summary of Significant Accounting Policies

Basis of Accounting

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

Investment Valuation and Income Recognition

The Plan's investments are reported at fair value except for the fully benefit-responsive investment contract which is reported at contract value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's Investment Committee determines the Plan's valuation policies utilizing information provided by the investment advisers, custodians, and insurance company. See Note 4 for further discussion of fair value measurements.

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

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent notes receivable from participants are reclassified as distributions based upon the terms of the Plan agreement.

Use of Estimates

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

Payment of Benefits

Benefits are recorded when paid.

Operating Expenses

All expenses of maintaining the Plan are paid by the Plan Sponsor, with the exception of fees for loan initiation or administration, which are paid by the participants requesting such services. Administrative expenses paid by the participants totaled $43,109 and $16,176 for the years ended October 31, 2019 and 2018, respectively.

Income Tax Status

The Internal Revenue Service has determined and informed the Company by a letter dated March 31, 2014, 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, Plan management believes that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believes that the Plan is qualified, and the related trust is tax exempt.

New Accounting Pronouncements /Accounting Changes

In August 2018, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) No. 2018-13, Fair Value Measurement (Topic 820): Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurements. The ASU modifies the disclosure requirements on fair value measurements in Accounting Standards Codification Topic 820. The ASU is effective for all reporting periods beginning after December 15, 2019, with early adoption permitted. An entity may elect to early adopt any removed or modified disclosures upon issuance of this Update and delay the adoption of the additional disclosures until the effective date. The Company has elected to early adopt this ASU; however, it did not have a material effect on the Plan's financial statements.

Income Taxes

US GAAP requires 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 3. Information Certified by Plan's Trustees

All investment information disclosed in the accompanying financial statements and supplementary information, including investments held and notes receivable from participants at October 31, 2019 and 2018, and net (depreciation) appreciation in fair value of investments, investment income, and interest income on notes receivable from participants for the years ended October 31, 2019 and 2018 were obtained or derived from information provided to Plan management and certified as complete and accurate by the Trustees of the Plan as follows: Fidelity Workplace Services, LLC (Fidelity) for the year ended October 31, 2019, and for the period from October 1, 2018 through October 31, 2018, and Massachusetts Mutual Life Insurance Company (Mass Mutual), for the period from November 1, 2017 through September 30, 2018, and Fidelity Workplace Services LLC, (Fidelity) for the period October 1, 2018 through October 31, 2018.

Note 4. Fair Value Measurements

FASB Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) 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 October 31, 2019 and 2018.

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 Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

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

	2019	2018
Level 1:		
Mutual funds	$ 23,232,816	$ 18,207,063

Note 5. Guaranteed Annuity Contract

During 2019 and 2018, the Plan held a fully benefit-responsive Immediate Participation Group annuity contract (GAC) with MassMutual. MassMutual maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The GAC issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan. The crediting rate is based on a formula established by the contract issuer. The crediting rate is reviewed on a quarterly basis for resetting. The GAC does not permit the insurance company to terminate the agreement prior to the scheduled maturity date.

Because the GAC is fully benefit-responsive, contract value is the relevant measure for the GAC. Contract value, as reported to the Plan by MassMutual, represents contributions made under the contract, plus earnings, less participant withdrawals, and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

The following represents the disaggregation of contract value between types of investment contracts held by the Plan at October 31:

	2019	2018
Traditional investment contracts	$ 11,204,914	$ 11,908,097

The Plan's ability to receive amounts due is dependent on the issuer's ability to meet its financial obligations. The issuer's ability to meet its contractual obligations may be affected by future economic and regulatory developments. There are no reserves against contract value for credit risk of the contract issuer.

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include (1) amendments to the Plan documents (including complete or partial Plan termination or merger with another plan), (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Plan sponsor or other Plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA. Plan management believes that any events that would limit the Plan's ability to transact at contract value with participants are probable of not occurring.

In addition, certain events allow the issuer to terminate the contracts with the Plan and settle at an amount different from contract value. Such events include (1) a breach of material obligation under the contract, (2) a material misrepresentation, or (3) a material amendment to the agreement without the consent of the issuer.

Note 6. Plan Termination

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

Note 7. Risks and Uncertainties

The Plan invests in various investment securities that are exposed to various risks such as interest rates, market and credit risks. Market values of investments may decline for a number of reasons, including changes in prevailing market and interest rates, increases in defaults and credit rating downgrades. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in values of investment securities will occur in the near term and that some changes could materially affect participant account balances and the amounts reported in the statements of net assets available for benefits.

Note 8. Party in Interest Transactions

Certain Plan investments, including mutual funds managed by Fidelity and a guaranteed annuity contract managed by MassMutual, who were Trustees and record keepers of the Plan as of and for the year ended October 31, 2019, and for the period from October 1, 2018 through October 31, 2018, (Fidelity) and for the period from November 1, 2017 through September 30, 2018 (Mass Mutual), and, therefore, these transactions qualify as exempt party-in-interest transactions. Fees paid by the Plan for investment management services were included as a reduction of the return earned on each investment.

Note 9. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2019 and 2018 to Form 5500:

	2019	2018
Net assets available for benefits per the financial statements	$ 36,643,282	$ 32,420,710
Employer contributions receivable	(1,116,360)	(1,193,538)
Employee contributions receivable	-	(138,823)
Net assets available for benefits per Form 5500	$ 35,526,922	$ 31,088,349

The following is a reconciliation of the changes in net assets available for benefits per the financial statements for the years ended December 31, 2019 and 2018, to Form 5500:

	2019	2018
Increase in net assets available for benefits per the financial statement	$ 4,222,572	$ 908,436
Employer contributions receivable at December 31, 2018	1,193,538	(1,193,538)
Employee contribution receivable at December 31, 2018	138,823	(138,823)
Employer contributions receivable at December 31, 2019	(1,116,360)	-
Increase in net assets available for benefits per Form 5500	$ 4,438,573	$ (423,925)

Note 10. Subsequent Events

Plan Management's Review of Subsequent Events

The Plan has evaluated subsequent events through August 13, 2020, the date the financial statements were available to be issued and noted the following:

COVID-19

On March 11, 2020, the World Health Organization declared Coronavirus (COVID-19) a pandemic. The extent of the operational and financial impact the COVID-19 pandemic may have on the Plan Sponsor has yet to be determined and is dependent on its duration and spread, any related operational restrictions and the overall economy. The Plan Sponsor is unable to accurately predict how COVID-19 will affect the results of its operations or the Plan because the virus's severity and the duration of the pandemic are uncertain. Potential impacts include, but are not limited to, additional costs for responding to COVID-19, potential shortages of personnel, delays, loss of, or reduction to revenue and overall market decline. Management believes the Plan Sponsor is taking appropriate actions to respond to the pandemic. While the full impact is unknown and cannot be reasonably estimated, it could be material to the Plan's financial statements.

CARES Act

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was enacted into law. The CARES Act includes provisions that provide for changes to retirement plans. Plan management is in the process of reviewing the CARES Act and any resulting changes to the Plan.

Supplementary Information

HISCO 401(k) Plan

Schedule H, Line 4a – Schedule of Delinquent Participant Contributions

Plan #001 / EIN: 74-1697282

October 31, 2019

	Participant Contributions Transferred Late to Plan	Total that Constitutes Nonexempt Prohibited Transactions			
	Check here if late participant loan payments are included: ☑	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	Total Fully Corrected Under VFCP and PTE 2002-51
2019	$ 154,179	$ 154,179	$ -	$ -	$ -
2018	644,888	-	-	-	644,888

HISCO 401(k) Plan

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

Plan #001 / EIN: 74-1697282

October 31, 2019

(a)	(b) Identity of issue, borrower lessor, or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current Value
*	Fidelity	FID GOVT MMKT K6	**	$ 2,007
	T. Rowe Price	TRP BLUE CHIP GRTH I	**	2,356,343
	Vanguard	VANG MIDCAP IDX ADM	**	219,589
	Vanguard	VANG TOT INTL STK AD	**	998,612
	PGIM	PGIM TOTAL RTN BD R6	**	1,925,360
	American Funds	AF EUROPAC GROWTH R6	**	1,451,229
	American Funds	AF WASH MUTL INV R6	**	1,417,431
	BlackRock	BLKRK INFL PRO BD K	**	116,199
	Neuberger	NB STRATEGIC INC R6	**	298,392
	JP Morgan	JPM MID CAP GRTH R6	**	2,873,505
*	Fidelity	FID 500 INDEX	**	4,377,515
*	Fidelity	FID SM CAP IDX	**	2,312,386
*	Fidelity	FID FREEDOM 2010 K6	**	12,871
*	Fidelity	FID FREEDOM 2020 K6	**	378,196
*	Fidelity	FID FREEDOM 2030 K6	**	2,170,811
*	Fidelity	FID FREEDOM 2040 K6	**	1,097,945
*	Fidelity	FID FREEDOM 2050 K6	**	844,029
*	Fidelity	FID FREEDOM INC K6	**	237,328
*	Fidelity	Fid FREEDOM 2025 K6	**	211
*	Fidelity	Fid FREEDOM 2035 K6	**	63,025
*	Fidelity	Fid FREEDOM 2045 K6	**	66,637
*	Fidelity	Fid FREEDOM 2055 K6	**	9,083
*	Fidelity	Fid FREEDOM 2060 K6	**	3,951
*	Fidelity	Fid FREEDOM 2065 K6	**	161
	MassMutual	MassMutual Diversified SAGIC II	**	11,204,914
				34,437,730
*	Notes receivable from partcipants	Interest rates from 3.25% to 5.50% Maturity dates from 12/20/2019 to 07/27/2048		1,089,192
				$ 35,526,922

NOTE: The information on this schedule has been summarized from information provided by the custodian, which the custodian has certified as being complete and accurate.

(*) Party-in-interest

(**) Cost information is not applicable for participant directed investments.

HISCO 401(k) Plan

Financial Report

October 31, 2019

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CONTENTS

Page

Independent Auditor's Report 1

Financial Statements

Statements of Net Assets Available for Benefits 3

Statements of Changes in Net Assets Available for Benefits 4

Notes to Financial Statements 5

Supplementary Information

Schedule H, Line 4a – Schedule of Delinquent Participant Contributions 12

Schedule H, Line 4i – Schedule of Assets (Held at End of Year) 13

All other schedules required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 are omitted because of the absence of the conditions under which they would apply.

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Independent Auditor's Report

To the Plan Management and Administrator of the
HISCO 401(k) Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of HISCO 401(k) Plan (the Plan), which comprise the statements of net assets available for benefits as of October 31, 2019 and 2018, the related statement of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). 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 information summarized in Note 3, which was certified by Fidelity Workplace Services, Inc. as of October 31, 2019 and 2018, and for the year ended October 31, 2019, and for the period from October 1, 2018 through October 31, 2018, and Massachusetts Mutual Life Insurance Company the Trustee of the Plan for the period from November 1, 2017 through September 30, 2018, except for comparing such information with the related information included in the financial statements and supplementary information. We have been informed by the Plan administrator that the Trustees hold the Plan's investment assets and execute investment transactions. The Plan administrator has obtained certifications from the Trustees, Fidelity, as of and for the year ended October 31, 2019, and for the period from October 1, 2018 through October 31, 2018, and Mass Mutual for the period from November 1, 2017 through September 30, 2018, that the information provided to the Plan administrator by the Trustees 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.

The Plan Management and Administrator of the
HISCO 401(k) Plan

Other Matter – Supplementary Information

The supplementary information listed in the table of contents as of October 31, 2019 is required by DOL's Rules and Regulations for Reporting and Disclosure under ERISA and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on the supplementary information.

Report on Form and Content in Compliance with Department of Labor Rules and Regulations

The form and content of the information included in the financial statements and supplementary information, other than that derived from the information certified by the Trustees, 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.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Houston, Texas
August 13, 2020

HISCO 401(k) Plan

Statements of Net Assets Available for Benefits
October 31, 2019 and 2018

	2019	2018
ASSETS		
Investments, at fair value	$ 23,232,816	$ 18,207,063
Investments, at contract value	11,204,914	11,908,097
Total investments	34,437,730	30,115,160
Receivables		
Employer's contribution	1,116,360	1,193,538
Participant's contribution	-	138,823
Notes receivable from partcipants	1,089,192	973,189
Total receivables	2,205,552	2,305,550
Total assets	36,643,282	32,420,710
LIABILITIES	-	-
NET ASSETS AVAILABLE FOR BENEFITS	$ 36,643,282	$ 32,420,710

The Notes to Financial Statements are
an integral part of these statements.

HISCO 401(k) Plan

Statements of Changes in Net Assets Available for Benefits
Years Ended October 31, 2019 and 2018

	2019	2018
ADDITIONS		
Investment income		
Net appreciation (depreciation) in fair value of investments	$ 1,689,150	$ (992,164)
Interest and dividends	1,407,431	1,985,597
Net investments income	3,096,581	993,433
Contributions		
Employer	1,116,901	1,198,476
Employee	1,296,163	1,233,884
Rollovers	661,249	42,551
Total contributions	3,074,313	2,474,911
Interest income on notes receivable from participants	47,599	30,194
Total additions	6,218,493	3,498,538
DEDUCTIONS		
Benefits paid directly to participants	1,952,812	2,573,926
Administrative expenses	43,109	16,176
Total deductions	1,995,921	2,590,102
Net increase in net assets available for benefits	4,222,572	908,436
NET ASSETS AVAILABLE FOR BENEFITS, beginning of year	32,420,710	31,512,274
NET ASSETS AVAILABLE FOR BENEFITS, end of year	$ 36,643,282	$ 32,420,710

The Notes to Financial Statements are an integral part of these statements.

HISCO 401(k) Plan

Notes to Financial Statements

Note 1. Plan Description

The following description of the HISCO 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 consists of a 401(k) salary deferral feature and a profit sharing feature. The profit sharing feature, which became effective February 1, 1972, is a discretionary, noncontributory defined contribution profit sharing plan covering all eligible employees of HIS Company, Inc. (the Company or Plan Sponsor). The Plan adopted the 401(k) salary deferral feature effective November 1, 2003. Employees become eligible to participate in the Plan on their date of employment. Effective November 1, 2016, the Plan was amended to add a requirement that participants must complete a 1,000-hour service requirement to be eligible to receive a discretionary employer contribution. Additionally, the Plan was amended to provide for automatic enrollment of employees hired on or after November 1, 2016 and a one-time automatic enrollment for current active employees not participating or participating at a deferral percentage of less than 3% of their compensation. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Contributions

For the 401(k) feature, each year participants may contribute a portion of their pretax annual compensation, as defined in the Plan. Participants may also contribute an amount representing distributions from other qualified defined benefit and defined contribution plans. Participants direct the investment of their contribution into various investment options offered by the Plan. There was no Company match for the years 2019 and 2018 and it is generally the Company's policy not to have such matching contributions. Contributions are subject to certain limitations.

For the profit sharing feature, Company contributions are discretionary and are allocated to participants pro-rata based upon the compensation of employees who are actively employed on the last day of the Plan year and have been credited with a year of service during the current year (1,000 hours), subject to a maximum compensation limitation of $120,000 for Plan purposes. During the years ended October 31, 2019 and 2018, the Company made a profit sharing contribution of $1,116,901 and $1,198,476, respectively.

The Plan allows participants, during a certain time of the Plan year, to roll money over from their account in a related plan offered by the Company, the HISCO Employee Stock Ownership Plan (ESOP Plan), into the Plan. Participants may also rollover amounts to the Plan representing distributions from other qualified defined benefit plans. Any such rollovers will be deposited into the participant's rollover balance. The Plan currently allows all rollovers to be withdrawn at any time, once per year.

Participant Accounts and Forfeitures

Each participant's account is credited with the participant's contribution, allocations of the Company's contribution, Plan forfeitures, Plan earnings, and is charged with any applicable administrative expenses related to transactions such as loan initiation or administration. Allocations are based on participant compensation and account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided by the participant's vested account balance. At October 31, 2019 and 2018, forfeited non-vested accounts totaled $216,375 and $108,515, respectively. During 2019 and 2018, Company contributions were reduced by $92,142 and $0, respectively, from forfeited nonvested accounts.

Vesting

Participants are immediately vested in their contributions to the Plan and allocated earnings thereon. Effective November 1, 2007, participants became fully vested in Employer contributions and allocated earnings at the rate of ten percent per year for the first two years and twenty percent per year thereafter with 100 percent vesting after six years. Forfeitures from terminated participants are allocated to the accounts of the remaining participants after a one-year break in service. Additionally, a participant becomes 100 percent vested upon death, total disability, termination of the Plan, or attainment of normal retirement age.

Distributions to Participants

Upon retirement, death, total disability or termination of employment, a participant (or the participant's beneficiary, if applicable) may elect to receive a lump sum distribution, or an annuity, payable over a period not to exceed the payee's expected life expectancy, providing their vested account balance exceeds $5,000. Participants may receive a hardship distribution from their vested account balances subject to certain limitations, as defined in the Plan agreement.

An employee may also take one withdrawal each calendar year that consists of a maximum of 20 percent of their vested balance in their account if the participant has at least five years of service. If the Participant has fewer than five years of service, he or she may not exceed the account balance as of the last date of the Plan year coincident with or next preceding a date 24 months prior to the date of the distribution. However, if the participant is under the age of fifty-nine and one-half years old, the distribution of 20 percent of his or her vested account balance may not come from salary deferral funds.

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 October 31, 2019 and 2018.

Note 2. Summary of Significant Accounting Policies

Basis of Accounting

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

Investment Valuation and Income Recognition

The Plan's investments are reported at fair value except for the fully benefit-responsive investment contract which is reported at contract value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's Investment Committee determines the Plan's valuation policies utilizing information provided by the investment advisers, custodians, and insurance company. See Note 4 for further discussion of fair value measurements.

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

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent notes receivable from participants are reclassified as distributions based upon the terms of the Plan agreement.

Use of Estimates

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

Payment of Benefits

Benefits are recorded when paid.

Operating Expenses

All expenses of maintaining the Plan are paid by the Plan Sponsor, with the exception of fees for loan initiation or administration, which are paid by the participants requesting such services. Administrative expenses paid by the participants totaled $43,109 and $16,176 for the years ended October 31, 2019 and 2018, respectively.

Income Tax Status

The Internal Revenue Service has determined and informed the Company by a letter dated March 31, 2014, 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, Plan management believes that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believes that the Plan is qualified, and the related trust is tax exempt.

New Accounting Pronouncements /Accounting Changes

In August 2018, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) No. 2018-13, Fair Value Measurement (Topic 820): Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurements. The ASU modifies the disclosure requirements on fair value measurements in Accounting Standards Codification Topic 820. The ASU is effective for all reporting periods beginning after December 15, 2019, with early adoption permitted. An entity may elect to early adopt any removed or modified disclosures upon issuance of this Update and delay the adoption of the additional disclosures until the effective date. The Company has elected to early adopt this ASU; however, it did not have a material effect on the Plan's financial statements.

Income Taxes

US GAAP requires 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 3. Information Certified by Plan's Trustees

All investment information disclosed in the accompanying financial statements and supplementary information, including investments held and notes receivable from participants at October 31, 2019 and 2018, and net (depreciation) appreciation in fair value of investments, investment income, and interest income on notes receivable from participants for the years ended October 31, 2019 and 2018 were obtained or derived from information provided to Plan management and certified as complete and accurate by the Trustees of the Plan as follows: Fidelity Workplace Services, LLC (Fidelity) for the year ended October 31, 2019, and for the period from October 1, 2018 through October 31, 2018, and Massachusetts Mutual Life Insurance Company (Mass Mutual), for the period from November 1, 2017 through September 30, 2018, and Fidelity Workplace Services LLC, (Fidelity) for the period October 1, 2018 through October 31, 2018.

Note 4. Fair Value Measurements

FASB Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) 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 October 31, 2019 and 2018.

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 Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

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

	2019	2018
Level 1:		
Mutual funds	$ 23,232,816	$ 18,207,063

Note 5. Guaranteed Annuity Contract

During 2019 and 2018, the Plan held a fully benefit-responsive Immediate Participation Group annuity contract (GAC) with MassMutual. MassMutual maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The GAC issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan. The crediting rate is based on a formula established by the contract issuer. The crediting rate is reviewed on a quarterly basis for resetting. The GAC does not permit the insurance company to terminate the agreement prior to the scheduled maturity date.

Because the GAC is fully benefit-responsive, contract value is the relevant measure for the GAC. Contract value, as reported to the Plan by MassMutual, represents contributions made under the contract, plus earnings, less participant withdrawals, and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

The following represents the disaggregation of contract value between types of investment contracts held by the Plan at October 31:

	2019	2018
Traditional investment contracts	$ 11,204,914	$ 11,908,097

The Plan's ability to receive amounts due is dependent on the issuer's ability to meet its financial obligations. The issuer's ability to meet its contractual obligations may be affected by future economic and regulatory developments. There are no reserves against contract value for credit risk of the contract issuer.

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include (1) amendments to the Plan documents (including complete or partial Plan termination or merger with another plan), (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Plan sponsor or other Plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA. Plan management believes that any events that would limit the Plan's ability to transact at contract value with participants are probable of not occurring.

In addition, certain events allow the issuer to terminate the contracts with the Plan and settle at an amount different from contract value. Such events include (1) a breach of material obligation under the contract, (2) a material misrepresentation, or (3) a material amendment to the agreement without the consent of the issuer.

Note 6. Plan Termination

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

Note 7. Risks and Uncertainties

The Plan invests in various investment securities that are exposed to various risks such as interest rates, market and credit risks. Market values of investments may decline for a number of reasons, including changes in prevailing market and interest rates, increases in defaults and credit rating downgrades. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in values of investment securities will occur in the near term and that some changes could materially affect participant account balances and the amounts reported in the statements of net assets available for benefits.

Note 8. Party in Interest Transactions

Certain Plan investments, including mutual funds managed by Fidelity and a guaranteed annuity contract managed by MassMutual, who were Trustees and record keepers of the Plan as of and for the year ended October 31, 2019, and for the period from October 1, 2018 through October 31, 2018, (Fidelity) and for the period from November 1, 2017 through September 30, 2018 (Mass Mutual), and, therefore, these transactions qualify as exempt party-in-interest transactions. Fees paid by the Plan for investment management services were included as a reduction of the return earned on each investment.

Note 9. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2019 and 2018 to Form 5500:

	2019	2018
Net assets available for benefits per the financial statements	$ 36,643,282	$ 32,420,710
Employer contributions receivable	(1,116,360)	(1,193,538)
Employee contributions receivable	-	(138,823)
Net assets available for benefits per Form 5500	$ 35,526,922	$ 31,088,349

The following is a reconciliation of the changes in net assets available for benefits per the financial statements for the years ended December 31, 2019 and 2018, to Form 5500:

	2019	2018
Increase in net assets available for benefits per the financial statement	$ 4,222,572	$ 908,436
Employer contributions receivable at December 31, 2018	1,193,538	(1,193,538)
Employee contribution receivable at December 31, 2018	138,823	(138,823)
Employer contributions receivable at December 31, 2019	(1,116,360)	-
Increase in net assets available for benefits per Form 5500	$ 4,438,573	$ (423,925)

Note 10. Subsequent Events

Plan Management's Review of Subsequent Events

The Plan has evaluated subsequent events through August 13, 2020, the date the financial statements were available to be issued and noted the following:

COVID-19

On March 11, 2020, the World Health Organization declared Coronavirus (COVID-19) a pandemic. The extent of the operational and financial impact the COVID-19 pandemic may have on the Plan Sponsor has yet to be determined and is dependent on its duration and spread, any related operational restrictions and the overall economy. The Plan Sponsor is unable to accurately predict how COVID-19 will affect the results of its operations or the Plan because the virus's severity and the duration of the pandemic are uncertain. Potential impacts include, but are not limited to, additional costs for responding to COVID-19, potential shortages of personnel, delays, loss of, or reduction to revenue and overall market decline. Management believes the Plan Sponsor is taking appropriate actions to respond to the pandemic. While the full impact is unknown and cannot be reasonably estimated, it could be material to the Plan's financial statements.

CARES Act

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was enacted into law. The CARES Act includes provisions that provide for changes to retirement plans. Plan management is in the process of reviewing the CARES Act and any resulting changes to the Plan.

Supplementary Information

HISCO 401(k) Plan

Schedule H, Line 4a – Schedule of Delinquent Participant Contributions

Plan #001 / EIN: 74-1697282

October 31, 2019

	Participant Contributions Transferred Late to Plan	Total that Constitutes Nonexempt Prohibited Transactions			
	Check here if late participant loan payments are included: ☑	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	Total Fully Corrected Under VFCP and PTE 2002-51
2019	$ 154,179	$ 154,179	$ -	$ -	$ -
2018	644,888	-	-	-	644,888

HISCO 401(k) Plan

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

Plan #001 / EIN: 74-1697282

October 31, 2019

(a)	(b) Identity of issue, borrower lessor, or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current Value
*	Fidelity	FID GOVT MMKT K6	**	$ 2,007
	T. Rowe Price	TRP BLUE CHIP GRTH I	**	2,356,343
	Vanguard	VANG MIDCAP IDX ADM	**	219,589
	Vanguard	VANG TOT INTL STK AD	**	998,612
	PGIM	PGIM TOTAL RTN BD R6	**	1,925,360
	American Funds	AF EUROPAC GROWTH R6	**	1,451,229
	American Funds	AF WASH MUTL INV R6	**	1,417,431
	BlackRock	BLKRK INFL PRO BD K	**	116,199
	Neuberger	NB STRATEGIC INC R6	**	298,392
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				34,437,730
*	Notes receivable from partcipants	Interest rates from 3.25% to 5.50% Maturity dates from 12/20/2019 to 07/27/2048		1,089,192
				$ 35,526,922

NOTE: The information on this schedule has been summarized from information provided by the custodian, which the custodian has certified as being complete and accurate.

(*) Party-in-interest

(**) Cost information is not applicable for participant directed investments.