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 6047(e), 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

2013

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [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
MONTEREY SD PARTNERS INC 401(K) PROFIT SHARING PLAN & TRUST

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/2007

2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)

MONTEREY SD PARTNERS INC

3861 VALLEY CENTRE DRIVE
SAN DIEGO, CA 92130

2b Employer Identification Number (EIN)
91-2126651

2c Sponsor's telephone number
858-792-9801

2d Business code (see instructions)
447100

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/03/2014	LESLIE KOURIE
	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

Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)

Preparer's telephone number (optional)

3a Plan administrator's name and address [X] Same as Plan Sponsor Name [ ] Same as Plan Sponsor Address

3b Administrator's EIN

3c Administrator's telephone number

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	243
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	263
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	0
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	263
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f	Total. Add lines **6d** and **6e**.	**6f**	263
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	14
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	0
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
2E 2G 2J 2T 3D

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

9a Plan funding arrangement (check all that apply)

- **(1)** [ ] 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)** [ ] **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)

SCHEDULE C (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Service Provider Information

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

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

OMB No. 1210-0110

2013

This Form is Open to Public Inspection.

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan
MONTEREY SD PARTNERS INC 401(K) PROFIT SHARING PLAN & TRUST

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
MONTEREY SD PARTNERS INC

D Employer Identification Number (EIN)
91-2126651

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

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250 VESEY STREET
NEW YORK, NY 10281

13-5674085

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

PAYCHEX SECURITIES CORPORATION

16-1486352

(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)

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4 WORLD FINANCIAL CENTER
250 VESEY STREET
NEW YORK, NY 10281

13-5674085

(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?
	BROKERAGE		Yes [X] No [ ]	Yes [ ] No [X]	3039	Yes [ ] No [X]

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

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

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
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(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.
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(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

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

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

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

(complete as many entries as needed)

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

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

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

OMB No. 1210-0110

2013

This Form is Open to Public Inspection

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan
MONTEREY SD PARTNERS INC 401(K) PROFIT SHARING PLAN & TRUST

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
MONTEREY SD PARTNERS INC

D Employer Identification Number (EIN)
91-2126651

Part I Asset and Liability Statement

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	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)	97627	76292
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	117697	242600
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	215324	318892
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	215324	318892

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)		
	(B) Participants	2a(1)(B)	74404	
	(C) Others (including rollovers)	2a(1)(C)		
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		74404
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	2	
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)		
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		2
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	17932	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		17932
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)		
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		30498
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		122836
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)		
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		0
f Corrective distributions (see instructions)	2f		19268
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		0
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		19268
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		103568
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

(1) [X] 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 [X] No

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

(1) Name: CAHILL AND ASSOCIATES **(2)** EIN: 20-3734254

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

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

Part IV Compliance Questions

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

During the plan year:

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

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		20000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

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

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

Part V Trust Information (optional)

6a Name of trust	**6b** Trust's EIN

Financial Statements

MONTEREY SD PARTNERS, INC.
401(k) PROFIT SHARING PLAN AND TRUST

DECEMBER 31, 2013 AND 2012

Member of the Private Companies Practice Section of the American Institute of Certified Public Accountants

C&A

CAHILL & ASSOCIATES

An Accountancy Corporation

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Monterey SD Partners, Inc., 401(k) Profit Sharing Plan and Trust
San Diego, California

Report on the Financial Statements

We have audited the accompanying financial statements of Monterey SD Partners, Inc. 401(k) Profit Sharing Plan and Trust, which comprise the statements of net assets available for benefits as of December 31, 2013 and 2012, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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 our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of Monterey SD Partners, Inc., 401(k) Profit Sharing Plan and Trust as of December 31, 2013 and 2012, and the changes in its net assets available for benefits for the years then ended in accordance with principles generally accepted in the United States of America.

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

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule, Schedule of Assets (Held at End of Year) as of December 31, 2013, referred to as "supplemental information", is presented for the purpose of additional analysis and is not a required part of the financial statements but is supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Cahill & Associates

Rancho Mirage, California
September 30, 2014

MONTEREY SD PARTNERS, INC.

401(k) PROFIT SHARING PLAN AND TRUST

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 2013 AND 2012

	2013	2012
ASSETS		
Investments at fair value:		
Money market fund – Notes 6, 7 and 8	$ 76,292	$ 97,627
Mutual funds – Notes 7 and 8	242,600	117,697
Total investments	318,892	215,324
Total Assets	318,892	215,324
LIABILITIES		
Excess contributions payable – Notes 9 and 10	18,692	19,268
NET ASSETS AVAILABLE FOR PLAN BENEFITS	$ 300,200	$ 196,056

See accompanying notes and independent auditor's report.

MONTEREY SD PARTNERS, INC.

401(k) PROFIT SHARING PLAN AND TRUST

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

	2013	2012
ADDITIONS TO NET ASSETS ATTRIBUTED TO:		
Investment income:		
Dividend income	$ 17,932	$ 2,372
Interest income	2	-
Total investment income	17,934	2,372
Net appreciation in fair market value – Note 6	30,498	17,297
Contributions:		
Participants	74,404	61,472
Total contributions	74,404	61,472
Total additions	122,836	81,141
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Benefits paid to participants, including rollovers	-	16,587
Corrective distributions/excess contributions – Notes 9 and 10	18,692	19,268
Other adjustment	-	(495)
Administrative expenses	-	130
Total deductions	18,692	35,490
INCREASE IN NET ASSETS	104,144	45,651
NET ASSETS AVAILABLE FOR BENEFITS AT FAIR VALUE		
Beginning of the year	196,056	150,405
NET ASSETS AVAILABLE FOR BENEFITS AT FAIR VALUE		
End of the year	$ 300,200	$ 196,056

See accompanying notes and independent auditor's report.

NOTE 1: DESCRIPTION OF PLAN

The Monterey SD Partners, Inc., 401(k) Profit Sharing Plan and Trust ("the Plan") was originally established on January 1, 2007, and was designed to reward eligible employees for long and loyal service by providing them with retirement benefits. The Plan was amended effective January 1, 2008, revisions of which are now embodied in the current Summary Plan Description.

The Plan's third-party recordkeeping, reporting, and other administrative services are rendered by Paychex Retirement Services.

The following description of the Monterey SD Partners, Inc., 401(k) Profit Sharing Plan and Trust provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General — The Plan is a defined contribution plan covering all employees of Monterey SD Partners, Inc., ("the Company") who are age eighteen years or older. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Internal Revenue Service has approved the Plan.

Contributions — Each year a participant may contribute through elective deferrals up to 96 percent (96%) of pretax annual compensation as defined in the Plan, subject to the individual and average limits set by federal tax laws. Additionally, a participant may also designate all or a portion of the elective deferral contributions as Roth elective deferral contributions instead of pre-tax elective deferral contributions. Roth elective deferral contributions do not reduce total taxable income and do not reduce current taxes. The Plan does not provide for employer matching contributions.

Employer Profit Sharing Contributions — As provided by the Plan document, the Company, at its discretion, may make profit sharing contributions. Participants are eligible to participate in profit sharing contributions after completing one year of eligibility service. Each qualifying participant will receive a pro rata allocation based on the qualifying participant's compensation in relation to the total compensation of all qualifying participants. The Company did not make any profit sharing contribution during the years ended December 31, 2013 and 2012.

Rollover and Transfer Contributions — The Company allows rollover and transfer contributions to the Plan from a qualified plan, and pre-tax contribution amounts from a Traditional IRA. The participant cannot make nondeductible (after-tax) employee contributions. The participant is 100% vested in the rollover and transfer contributions.

Contribution Limits — Section 415 of the Internal Revenue Code provides for dollar limitations on contributions under qualified retirement plans. For the year 2013, the contribution limits as set by law are (a) the elective deferral limit of $17,500 and a catch-up contribution limit of $5,500 which is allowed if the participant attains the age of 50 during a calendar year, (b) the annual compensation limit for non-highly compensated employees used to determine contributions is $255,000, and (c) the annual defined contribution limit that is made by a participant or for a participant is $51,000.

NOTE 1: DESCRIPTION OF PLAN (continued)

Distributions — A participant can withdraw from his individual account if he terminates employment before normal retirement age (65 years and above), becomes disabled, or reaches normal retirement age but continues to work. A participant can request an in-service withdrawal/ distribution from the Plan of his vested interest, including employer profit sharing contributions in the Plan upon attainment of age 59 1/2, even if the participant continues to work. Unless one of the above situations exists, a participant cannot withdraw his individual account attributable to employer profit sharing and matching contributions, rollover contributions, or transfer contributions while still employed with the Company. As per Plan provisions, withdrawal of elective deferrals on account of hardship is not allowed. Additionally, participants should refer to distributions pertaining to Roth elective deferral balances as certain distributions rules apply.

Participant Accounts — Each participant's account is credited with the participant's contribution, allocation of the Company's profit-sharing contribution, if any, and allocations of the Plan earnings. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. Participants direct the investment of their accounts into various investment options offered by the Plan.

Administrative Expenses — Accounting, auditing, recordkeeping, and certain administrative expenses are paid by the Plan sponsor.

Vesting — A participant is immediately vested in his contributions, transfer or rollover contributions plus actual earnings thereon. For the Company's profit sharing contributions, a vesting schedule depending on the years of vesting service is provided for in the Plan documents. Participants become 20 percent vested upon completing two years of service and vest an additional 20 percent each year thereafter until they are 100 percent vested after six years of service.

Notes Receivable From Participants — A participant may borrow from his fund accounts a minimum of $1,000 up to no greater than 50% of his vested account balance or $50,000 reduced by the highest outstanding loan balance, if any, during the one-year period ending on the day before the new loan is made. The maximum amount of an outstanding loan cannot exceed the lesser of 95% of one-half the vested account balance or 95% of the total vested account balance excluding Roth elective deferral balance. Roth funds are not available for participant loans. A loan transaction is treated as a transfer to (from) the investment fund from (to) the participant's loan fund. A loan is secured by the balance in the participant's account and bears a reasonable rate of interest (i.e., the rate a bank or other professional lenders would charge for making a loan in a similar circumstance). Principal and interest are paid ratably through periodic payroll deductions.

Payment of Benefits — On termination of service due to death, disability, or retirement, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his account or annual installments over the applicable life expectancy. For termination of service due to other reasons, a participant may receive the value of the vested interest in his account as a lump-sum distribution. He may also leave his account under the Plan if the vested amount is more than $5,000. If the vested amount is $5,000 or less, federal law requires the Plan to automatically roll over the terminated employee's vested amount to an IRA in a direct rollover if the vested balance is more than $1,000 and the terminated employee has not elected to have his vested account paid in a single lump sum or rolled over to another retirement plan or an IRA of his choice in a direct rollover. Benefits are recorded when paid.

NOTE 1: DESCRIPTION OF PLAN (continued)

Forfeitures — A forfeiture is created when a participant terminates employment before becoming entitled to his full benefits under the Plan. As per Plan provisions, forfeitures will be used to reduce employer contributions. For the Plan years ended December 31, 2013 and 2012, there is no balance in the forfeiture account.

Investment Options — Upon enrollment in the Plan, a participant may direct contributions in any increments in any of the following funds:

Davis NY Venture Fund Class C — Seeking long-term growth of capital, the fund uses the Davis Investment Discipline to invest the majority of the fund's assets in equity securities (typically common stocks, but may also include preferred stocks, convertible bonds, and other forms of equity securities) issued by large companies with market capitalizations of at least $10 billion. It may also invest in foreign securities.

MFS Total Return Fund Class C — Seeking total return, the fund invests its assets in equity securities and debt instruments. Investing between 40% and 75% of its assets in fixed-income senior securities, the fund focuses on investing its assets in the stocks of companies it believes are undervalued compared to their perceived worth (value companies).

BlackRock Global Allocation Fund Investor C — Seeking to provide high total investment return, the fund invests in a portfolio of equity, debt and money market securities. It may invest up to 35% of its total assets in "junk bonds," corporate loans and distressed securities. The fund may also invest in Real Estate Investment Trusts ("REIT's") and has no geographic limits on where it may invest, including securities of companies of any market capitalization.

BlackRock Capital Appreciation Fund Investor C — Seeking long-term growth of capital, the fund invests at least 65% of total assets in common stock, convertible preferred stock, securities convertible into common stock, and rights to subscribe to common stock. The fund invests primarily in a diversified portfolio consisting of primarily common stock of U.S. companies that fund management believes have shown above-average growth rates in earnings over the long-term. It emphasizes investments in companies with medium to large market capitalization.

BlackRock International Fund Investor C — Seeking long-term capital growth, the fund is a "feeder" fund that invests all of its assets in Master International Portfolio, a series of BlackRock Master LLC, which has the same objective and strategies as the fund. The fund invests primarily in stocks of companies located outside the U.S.

BlackRock Large Cap Core Fund Investor C — Seeking long-term capital growth, the fund invests at least 80% of assets in equity securities, primarily common stock, of large cap companies located in the United States that BlackRock selects from among those that are, at the time of purchase, included in the fund's benchmark, the Russell 1000 Index.

BlackRock Large Cap Value Fund Investor C — Seeking long-term capital growth, the fund invests at least 80% of its assets in equity securities, primarily common stock, of large cap companies located in the United States that BlackRock selects from among those that are, at the time of purchase, included in the fund's benchmark, the Russell 1000 Value Index.

NOTE 1: DESCRIPTION OF PLAN (continued)

BlackRock US Government Bond Fund Investor C — Seeking to maximize total return, consistent with income generation and prudent investment management, the fund primarily invests at least 80% of assets in bonds that are issued or guaranteed by the U.S. government and its agencies. It invests primarily in the highest rated government and agency bonds and maintains an average portfolio duration that is within 20% of the Barclays Capital U.S. Government/Mortgage Index.

BlackRock Value Opportunities Fund Investor C — Seeking long-term growth of capital, the fund primarily invests in common stock of small companies and emerging growth companies that have special investment value. Small companies are defined as companies whose market capitalization is similar to the market capitalization of companies in the Russell 2000 or the S&P SmallCap 600 at the time of the fund's investment. It invests primarily in U.S. companies that do most of their business in the United States, but may invest a portion of its assets in foreign companies.

JPMorgan Dynamic Small Cap Growth C — Seeking capital growth over the long term, the fund normally invests at least 80% of assets in equity securities of small-cap companies with market capitalizations equal to those within the universe of Russell 2000 Growth Index and/or with market capitalizations of less than $3.5 billion at the time of purchase. It invests primarily in common stocks.

Wells Fargo Advantage Core Bond Fund Class C — Seeking total return, consisting of income and capital appreciation, the fund normally invests at least 80% of its net assets in bonds; at least 80% of the fund's total assets in investment-grade debt securities; up to 25% of its total assets in asset-backed securities, other than mortgage-backed securities; and up to 20% of the fund's total assets in U.S. dollar-denominated debt-securities of foreign issuers. It expects to maintain an overall portfolio dollar-weighted average effective duration that is within 10% of that of the fund's benchmark.

BlackRock Ready Assets Prime Money — Seeking preservation of capital, liquidity and the highest possible current income, the fund invests in a diversified portfolio of short-term money market securities which generally are debt securities and other instruments that mature within 13 months. Its dollar-weighted average maturity normally is 60 days or less, and the dollar-weighted average life of all of its investments is 120 days or less.

Participants may change their investment options daily, to the extent administratively feasible.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared using the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Accounting (continued)

Investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Statements of Net Assets Available for Benefits presents the fair value of the investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The Statement of Changes in Net Assets Available for Benefits is prepared using the contract value basis for fully benefit-responsive investment contracts. For Plan years ended December 31, 2013 and 2012, the Plan did not have fully benefit-responsive contracts that would require adjustment from fair value to contact value.

Use of Estimates

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

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. (See Note 8 for 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 on the ex-dividend date. Net 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. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2013 or 2012. If a participant ceases to make loan repayments and the Plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded. As of December 31, 2013 and 2012, there is no outstanding balance for participant loans.

Excess Contributions Payable

Amounts payable to participants for contributions in excess of amounts allowed by the Internal Revenue Service (IRS) are recorded as a liability with a corresponding reduction to contributions. (See Note 9).

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Payment of Benefits

Benefits are recorded when paid.

Expenses

Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net appreciation of fair value of investments.

Subsequent Events

The Plan has evaluated subsequent events through September 30, 2014, the date the financial statements are available to be issued. Effective January 1, 2014, the Company amended the Plan and adopted the Flexible 401(k) Profit Sharing Plan. Under the new Plan, the employer will make safe harbor employer contributions equal to the sum of 100% of the portion of the employee contributions which do not exceed 3% of compensation, plus 50% of the portion of employee contributions that exceeds 3% but does not exceed 5% of compensation. (Please refer to Plan provisions and documents). Except as noted above, no other events that require updates to the financial statements or disclosures have occurred through this date.

NOTE 3: RECLASSIFICATIONS

Certain reclassifications have been made to the 2012 financial statements in order to conform to the 2013 presentation.

NOTE 4: PLAN TERMINATION

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

NOTE 5: TAX STATUS

The Internal Revenue Service has determined by a letter dated January 31, 2006, that the Plan and the related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and therefore believes that the Plan is qualified and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2013, there are no uncertain tax positions taken or expected to be taken that would require recognition of a tax liability (or asset), or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for Plan years prior to December 31, 2010.

NOTE 6: INVESTMENTS EXCEEDING 5% OF NET ASSETS

The following presents investments that represent five percent or more of the Plan's net assets at December 31, 2013 and 2012:

Investments (at fair value):	2013	2012
Davis NY Venture Fund Class C	$ 61,979	$ 32,965
MFS Total Return Fund Class C	21,602	4,243
BlackRock Capital Appreciation Fund Investor C	52,880	32,920
BlackRock Value Opportunities Fund Investor C	42,669	24,600
JPMorgan Dynamic Small Cap Growth C	42,158	18,882
BlackRock Ready Assets Prime Money	76,292	97,627

During the Plan years ended December 31, 2013 and 2012, the Plan's investments (including investments bought, sold, and held during the year) appreciated in value by $30,498 and $17,297, respectively, as follows:

	Year ended 12/31/13	Year ended 12/31/12
Mutual funds – net change in fair value	$30,498	$17,297

NOTE 7: INVESTMENTS HELD AT YEAR END

The following information is included in the accompanying financial statements pertaining to investments held at year end:

Investments (at fair value):	2013	2012
Davis NY Venture Fund Class C	$ 61,979	$ 32,965
MFS Total Return Fund Class C	21,602	4,243
BlackRock Global Allocation Fund Investor C	9,547	4,087
BlackRock Capital Appreciation Fund Investor C	52,880	32,920
BlackRock International Fund Investor C	4,875	-
BlackRock Large Cap Core Fund Investor C	1,014	-
BlackRock Large Cap Value Fund Investor C	3,890	-
BlackRock US Government Bond Fund Investor C	372	-
BlackRock Value Opportunities Fund Investor C	42,669	24,600
JPMorgan Dynamic Small Cap Growth C	42,158	18,882
Wells Fargo Advantage Core Bond Fund Class C	1,614	-
BlackRock Ready Assets Prime Money	76,292	97,627
Total Investments	$ 318,892	$ 215,324

The information above represents the total fair market value of all the investment options as listed under Note 1. Additionally, the components of the changes in net assets, including transactions involving cash and participants' loans, if any, for each of the investment fund options were combined and represent an aggregation of all funds for purposes of preparing the accompanying statement of changes in net assets available for Plan benefits.

NOTE 8: FAIR VALUE MEASUREMENTS

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

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

Level 2 – Inputs to the valuation methodology include:

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

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

Level 3 – Inputs 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 assets measured at fair value and the valuation methodologies. There have been no changes in the methodologies used at December 31, 2013, and 2012.

Investments at December 31, 2013:

Mutual funds – Valued using quoted prices listed in active, recognized securities exchanges.

Money market funds – Valued at net asset value at a constant $1.00 per share.

Investments at December 31, 2012:

Mutual funds – Valued using quoted prices listed in active, recognized securities exchanges.

Money market funds – Valued at net asset value at a constant $1.00 per share.

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

NOTE 8: FAIR VALUE MEASUREMENTS (continued)

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2013 and 2012:

Assets at Fair Value as of December 31, 2013

	Level 1	Level 2	Level 3	Total
Mutual funds	$ 242,600	$ -	$ -	$ 242,600
Money market fund	76,292	-	-	76,292
Total assets at fair value	$ 318,892	$ -	$ -	$ 318,892

Assets at Fair Value as of December 31, 2012

	Level 1	Level 2	Level 3	Total
Mutual funds	$ 117,697	$ -	$ -	$ 117,697
Money market fund	97,627	-	-	97,627
Total assets at fair value	$ 215,324	$ -	$ -	$ 215,324

NOTE 9: EXCESS CONTRIBUTIONS PAYABLE

As of December 31, 2013 and 2012, a liability in the amount of $18,692 and $19,268, respectively, are recorded for amounts refundable by the Plan to participants for contributions made in excess of amounts allowed by the Internal Revenue Service.

NOTE 10: 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, 2013 and 2012, to Form 5500:

	2013	2012
Net assets available for benefits per the financial statements	$ 300,200	$ 196,056
Excess contributions payable	18,692	19,268
Net assets available for benefits per the Form 5500	$ 318,892	$ 215,324

The following is a reconciliation of the change in net assets per the financial statements to the Form 5500 for the years ended December 31, 2013 and 2012:

	2013	2012
Net increase in Plan assets per the financial statements	$ 104,144	$ 45,651
Excess contributions payable accrued in current year	18,692	19,268
Payment of excess contributions accrued in prior year	(19,268)	(17,005)
Other adjustment-difference in prior year accrual and refund amount	-	(495)
Net increase in Plan assets per Form 5500	$ 103,568	$ 47,419

NOTE 11: RISK AND UNCERTAINTIES

The Plan provides for various investment options in any combination of stocks, bonds, fixed-income securities, mutual funds, and other investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit. Because of the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits and the statements of changes in net assets available for benefit.

NOTE 12: PARTICIPATING RELATED COMPANIES

The Plan is a single-employer plan, not collectively-bargained, and includes the following participating related companies:

- Acacia Gasoline and Car Wash, LP
- Les June, LP
- Monterey SD Partners, Inc.
- Eastlake Pertroleum, LP
- Encinitas Promenade Gas and Oil
- 4S Ranch Gasoline and Car Wash
- Pico Rivera Gasoline and Car Wash, LP

SUPPLEMENTAL SCHEDULE

MONTEREY SD PARTNERS, INC.
401(k) PROFIT-SHARING PLAN AND TRUST

SCHEDULE H - ITEM 4i
SCHEDULE OF ASSETS (HELD AT END OF YEAR)
EIN: 91-2126651
PLAN NO. 001

DECEMBER 31, 2013

(a)	(b) Identity of Issuer, Borrower, User, or Similar Party	(c) Description of Investment, including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
	Davis NY Venture Fund Class C	Mutual Funds	N/A	$ 61,979
	MFS Total Return Fund Class C	Mutual Funds	N/A	21,602
	BlackRock Global Allocation Fund Investor C	Mutual Funds	N/A	9,547
	BlackRock Capital Appreciation Fund Investor C	Mutual Funds	N/A	52,880
	BlackRock International Fund Investor C	Mutual Funds	N/A	4,875
	BlackRock Large Cap Core Fund Investor C	Mutual Funds	N/A	1,014
	BlackRock Large Cap Value Fund Investor C	Mutual Funds	N/A	3,890
	BlackRock US Government Bond Fund Investor C	Mutual Funds	N/A	372
	BlackRock Value Opportunities Fund Investor C	Mutual Funds	N/A	42,669
	JPMorgan Dynamic Small Cap Growth C	Mutual Funds	N/A	42,158
	Wells Fargo Advantage Core Bond Fund Class C	Mutual Funds	N/A	1,614
	BlackRock Ready Assets Prime Money	Money Market Funds	N/A	76,292
	Total investments			$ 318,892

Financial Statements

MONTEREY SD PARTNERS, INC.
401(k) PROFIT SHARING PLAN AND TRUST

DECEMBER 31, 2013 AND 2012

Member of the Private Companies Practice Section of the American Institute of Certified Public Accountants

C&A

CAHILL & ASSOCIATES

An Accountancy Corporation

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Monterey SD Partners, Inc., 401(k) Profit Sharing Plan and Trust
San Diego, California

Report on the Financial Statements

We have audited the accompanying financial statements of Monterey SD Partners, Inc. 401(k) Profit Sharing Plan and Trust, which comprise the statements of net assets available for benefits as of December 31, 2013 and 2012, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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 our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of Monterey SD Partners, Inc., 401(k) Profit Sharing Plan and Trust as of December 31, 2013 and 2012, and the changes in its net assets available for benefits for the years then ended in accordance with principles generally accepted in the United States of America.

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

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule, Schedule of Assets (Held at End of Year) as of December 31, 2013, referred to as "supplemental information", is presented for the purpose of additional analysis and is not a required part of the financial statements but is supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Cahill & Associates

Rancho Mirage, California
September 30, 2014

MONTEREY SD PARTNERS, INC.

401(k) PROFIT SHARING PLAN AND TRUST

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 2013 AND 2012

	2013	2012
ASSETS		
Investments at fair value:		
Money market fund – Notes 6, 7 and 8	$ 76,292	$ 97,627
Mutual funds – Notes 7 and 8	242,600	117,697
Total investments	318,892	215,324
Total Assets	318,892	215,324
LIABILITIES		
Excess contributions payable – Notes 9 and 10	18,692	19,268
NET ASSETS AVAILABLE FOR PLAN BENEFITS	$ 300,200	$ 196,056

See accompanying notes and independent auditor's report.

MONTEREY SD PARTNERS, INC.

401(k) PROFIT SHARING PLAN AND TRUST

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

	2013	2012
ADDITIONS TO NET ASSETS ATTRIBUTED TO:		
Investment income:		
Dividend income	$ 17,932	$ 2,372
Interest income	2	-
Total investment income	17,934	2,372
Net appreciation in fair market value – Note 6	30,498	17,297
Contributions:		
Participants	74,404	61,472
Total contributions	74,404	61,472
Total additions	122,836	81,141
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Benefits paid to participants, including rollovers	-	16,587
Corrective distributions/excess contributions – Notes 9 and 10	18,692	19,268
Other adjustment	-	(495)
Administrative expenses	-	130
Total deductions	18,692	35,490
INCREASE IN NET ASSETS	104,144	45,651
NET ASSETS AVAILABLE FOR BENEFITS AT FAIR VALUE		
Beginning of the year	196,056	150,405
NET ASSETS AVAILABLE FOR BENEFITS AT FAIR VALUE		
End of the year	$ 300,200	$ 196,056

See accompanying notes and independent auditor's report.

NOTE 1: DESCRIPTION OF PLAN

The Monterey SD Partners, Inc., 401(k) Profit Sharing Plan and Trust ("the Plan") was originally established on January 1, 2007, and was designed to reward eligible employees for long and loyal service by providing them with retirement benefits. The Plan was amended effective January 1, 2008, revisions of which are now embodied in the current Summary Plan Description.

The Plan's third-party recordkeeping, reporting, and other administrative services are rendered by Paychex Retirement Services.

The following description of the Monterey SD Partners, Inc., 401(k) Profit Sharing Plan and Trust provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General — The Plan is a defined contribution plan covering all employees of Monterey SD Partners, Inc., ("the Company") who are age eighteen years or older. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Internal Revenue Service has approved the Plan.

Contributions — Each year a participant may contribute through elective deferrals up to 96 percent (96%) of pretax annual compensation as defined in the Plan, subject to the individual and average limits set by federal tax laws. Additionally, a participant may also designate all or a portion of the elective deferral contributions as Roth elective deferral contributions instead of pre-tax elective deferral contributions. Roth elective deferral contributions do not reduce total taxable income and do not reduce current taxes. The Plan does not provide for employer matching contributions.

Employer Profit Sharing Contributions — As provided by the Plan document, the Company, at its discretion, may make profit sharing contributions. Participants are eligible to participate in profit sharing contributions after completing one year of eligibility service. Each qualifying participant will receive a pro rata allocation based on the qualifying participant's compensation in relation to the total compensation of all qualifying participants. The Company did not make any profit sharing contribution during the years ended December 31, 2013 and 2012.

Rollover and Transfer Contributions — The Company allows rollover and transfer contributions to the Plan from a qualified plan, and pre-tax contribution amounts from a Traditional IRA. The participant cannot make nondeductible (after-tax) employee contributions. The participant is 100% vested in the rollover and transfer contributions.

Contribution Limits — Section 415 of the Internal Revenue Code provides for dollar limitations on contributions under qualified retirement plans. For the year 2013, the contribution limits as set by law are (a) the elective deferral limit of $17,500 and a catch-up contribution limit of $5,500 which is allowed if the participant attains the age of 50 during a calendar year, (b) the annual compensation limit for non-highly compensated employees used to determine contributions is $255,000, and (c) the annual defined contribution limit that is made by a participant or for a participant is $51,000.

NOTE 1: DESCRIPTION OF PLAN (continued)

Distributions — A participant can withdraw from his individual account if he terminates employment before normal retirement age (65 years and above), becomes disabled, or reaches normal retirement age but continues to work. A participant can request an in-service withdrawal/ distribution from the Plan of his vested interest, including employer profit sharing contributions in the Plan upon attainment of age 59 1/2, even if the participant continues to work. Unless one of the above situations exists, a participant cannot withdraw his individual account attributable to employer profit sharing and matching contributions, rollover contributions, or transfer contributions while still employed with the Company. As per Plan provisions, withdrawal of elective deferrals on account of hardship is not allowed. Additionally, participants should refer to distributions pertaining to Roth elective deferral balances as certain distributions rules apply.

Participant Accounts — Each participant's account is credited with the participant's contribution, allocation of the Company's profit-sharing contribution, if any, and allocations of the Plan earnings. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. Participants direct the investment of their accounts into various investment options offered by the Plan.

Administrative Expenses — Accounting, auditing, recordkeeping, and certain administrative expenses are paid by the Plan sponsor.

Vesting — A participant is immediately vested in his contributions, transfer or rollover contributions plus actual earnings thereon. For the Company's profit sharing contributions, a vesting schedule depending on the years of vesting service is provided for in the Plan documents. Participants become 20 percent vested upon completing two years of service and vest an additional 20 percent each year thereafter until they are 100 percent vested after six years of service.

Notes Receivable From Participants — A participant may borrow from his fund accounts a minimum of $1,000 up to no greater than 50% of his vested account balance or $50,000 reduced by the highest outstanding loan balance, if any, during the one-year period ending on the day before the new loan is made. The maximum amount of an outstanding loan cannot exceed the lesser of 95% of one-half the vested account balance or 95% of the total vested account balance excluding Roth elective deferral balance. Roth funds are not available for participant loans. A loan transaction is treated as a transfer to (from) the investment fund from (to) the participant's loan fund. A loan is secured by the balance in the participant's account and bears a reasonable rate of interest (i.e., the rate a bank or other professional lenders would charge for making a loan in a similar circumstance). Principal and interest are paid ratably through periodic payroll deductions.

Payment of Benefits — On termination of service due to death, disability, or retirement, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his account or annual installments over the applicable life expectancy. For termination of service due to other reasons, a participant may receive the value of the vested interest in his account as a lump-sum distribution. He may also leave his account under the Plan if the vested amount is more than $5,000. If the vested amount is $5,000 or less, federal law requires the Plan to automatically roll over the terminated employee's vested amount to an IRA in a direct rollover if the vested balance is more than $1,000 and the terminated employee has not elected to have his vested account paid in a single lump sum or rolled over to another retirement plan or an IRA of his choice in a direct rollover. Benefits are recorded when paid.

NOTE 1: DESCRIPTION OF PLAN (continued)

Forfeitures — A forfeiture is created when a participant terminates employment before becoming entitled to his full benefits under the Plan. As per Plan provisions, forfeitures will be used to reduce employer contributions. For the Plan years ended December 31, 2013 and 2012, there is no balance in the forfeiture account.

Investment Options — Upon enrollment in the Plan, a participant may direct contributions in any increments in any of the following funds:

Davis NY Venture Fund Class C — Seeking long-term growth of capital, the fund uses the Davis Investment Discipline to invest the majority of the fund's assets in equity securities (typically common stocks, but may also include preferred stocks, convertible bonds, and other forms of equity securities) issued by large companies with market capitalizations of at least $10 billion. It may also invest in foreign securities.

MFS Total Return Fund Class C — Seeking total return, the fund invests its assets in equity securities and debt instruments. Investing between 40% and 75% of its assets in fixed-income senior securities, the fund focuses on investing its assets in the stocks of companies it believes are undervalued compared to their perceived worth (value companies).

BlackRock Global Allocation Fund Investor C — Seeking to provide high total investment return, the fund invests in a portfolio of equity, debt and money market securities. It may invest up to 35% of its total assets in "junk bonds," corporate loans and distressed securities. The fund may also invest in Real Estate Investment Trusts ("REIT's") and has no geographic limits on where it may invest, including securities of companies of any market capitalization.

BlackRock Capital Appreciation Fund Investor C — Seeking long-term growth of capital, the fund invests at least 65% of total assets in common stock, convertible preferred stock, securities convertible into common stock, and rights to subscribe to common stock. The fund invests primarily in a diversified portfolio consisting of primarily common stock of U.S. companies that fund management believes have shown above-average growth rates in earnings over the long-term. It emphasizes investments in companies with medium to large market capitalization.

BlackRock International Fund Investor C — Seeking long-term capital growth, the fund is a "feeder" fund that invests all of its assets in Master International Portfolio, a series of BlackRock Master LLC, which has the same objective and strategies as the fund. The fund invests primarily in stocks of companies located outside the U.S.

BlackRock Large Cap Core Fund Investor C — Seeking long-term capital growth, the fund invests at least 80% of assets in equity securities, primarily common stock, of large cap companies located in the United States that BlackRock selects from among those that are, at the time of purchase, included in the fund's benchmark, the Russell 1000 Index.

BlackRock Large Cap Value Fund Investor C — Seeking long-term capital growth, the fund invests at least 80% of its assets in equity securities, primarily common stock, of large cap companies located in the United States that BlackRock selects from among those that are, at the time of purchase, included in the fund's benchmark, the Russell 1000 Value Index.

NOTE 1: DESCRIPTION OF PLAN (continued)

BlackRock US Government Bond Fund Investor C — Seeking to maximize total return, consistent with income generation and prudent investment management, the fund primarily invests at least 80% of assets in bonds that are issued or guaranteed by the U.S. government and its agencies. It invests primarily in the highest rated government and agency bonds and maintains an average portfolio duration that is within 20% of the Barclays Capital U.S. Government/Mortgage Index.

BlackRock Value Opportunities Fund Investor C — Seeking long-term growth of capital, the fund primarily invests in common stock of small companies and emerging growth companies that have special investment value. Small companies are defined as companies whose market capitalization is similar to the market capitalization of companies in the Russell 2000 or the S&P SmallCap 600 at the time of the fund's investment. It invests primarily in U.S. companies that do most of their business in the United States, but may invest a portion of its assets in foreign companies.

JPMorgan Dynamic Small Cap Growth C — Seeking capital growth over the long term, the fund normally invests at least 80% of assets in equity securities of small-cap companies with market capitalizations equal to those within the universe of Russell 2000 Growth Index and/or with market capitalizations of less than $3.5 billion at the time of purchase. It invests primarily in common stocks.

Wells Fargo Advantage Core Bond Fund Class C — Seeking total return, consisting of income and capital appreciation, the fund normally invests at least 80% of its net assets in bonds; at least 80% of the fund's total assets in investment-grade debt securities; up to 25% of its total assets in asset-backed securities, other than mortgage-backed securities; and up to 20% of the fund's total assets in U.S. dollar-denominated debt-securities of foreign issuers. It expects to maintain an overall portfolio dollar-weighted average effective duration that is within 10% of that of the fund's benchmark.

BlackRock Ready Assets Prime Money — Seeking preservation of capital, liquidity and the highest possible current income, the fund invests in a diversified portfolio of short-term money market securities which generally are debt securities and other instruments that mature within 13 months. Its dollar-weighted average maturity normally is 60 days or less, and the dollar-weighted average life of all of its investments is 120 days or less.

Participants may change their investment options daily, to the extent administratively feasible.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared using the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Accounting (continued)

Investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Statements of Net Assets Available for Benefits presents the fair value of the investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The Statement of Changes in Net Assets Available for Benefits is prepared using the contract value basis for fully benefit-responsive investment contracts. For Plan years ended December 31, 2013 and 2012, the Plan did not have fully benefit-responsive contracts that would require adjustment from fair value to contact value.

Use of Estimates

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

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. (See Note 8 for 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 on the ex-dividend date. Net 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. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2013 or 2012. If a participant ceases to make loan repayments and the Plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded. As of December 31, 2013 and 2012, there is no outstanding balance for participant loans.

Excess Contributions Payable

Amounts payable to participants for contributions in excess of amounts allowed by the Internal Revenue Service (IRS) are recorded as a liability with a corresponding reduction to contributions. (See Note 9).

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Payment of Benefits

Benefits are recorded when paid.

Expenses

Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net appreciation of fair value of investments.

Subsequent Events

The Plan has evaluated subsequent events through September 30, 2014, the date the financial statements are available to be issued. Effective January 1, 2014, the Company amended the Plan and adopted the Flexible 401(k) Profit Sharing Plan. Under the new Plan, the employer will make safe harbor employer contributions equal to the sum of 100% of the portion of the employee contributions which do not exceed 3% of compensation, plus 50% of the portion of employee contributions that exceeds 3% but does not exceed 5% of compensation. (Please refer to Plan provisions and documents). Except as noted above, no other events that require updates to the financial statements or disclosures have occurred through this date.

NOTE 3: RECLASSIFICATIONS

Certain reclassifications have been made to the 2012 financial statements in order to conform to the 2013 presentation.

NOTE 4: PLAN TERMINATION

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

NOTE 5: TAX STATUS

The Internal Revenue Service has determined by a letter dated January 31, 2006, that the Plan and the related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and therefore believes that the Plan is qualified and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2013, there are no uncertain tax positions taken or expected to be taken that would require recognition of a tax liability (or asset), or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for Plan years prior to December 31, 2010.

NOTE 6: INVESTMENTS EXCEEDING 5% OF NET ASSETS

The following presents investments that represent five percent or more of the Plan's net assets at December 31, 2013 and 2012:

Investments (at fair value):	2013	2012
Davis NY Venture Fund Class C	$ 61,979	$ 32,965
MFS Total Return Fund Class C	21,602	4,243
BlackRock Capital Appreciation Fund Investor C	52,880	32,920
BlackRock Value Opportunities Fund Investor C	42,669	24,600
JPMorgan Dynamic Small Cap Growth C	42,158	18,882
BlackRock Ready Assets Prime Money	76,292	97,627

During the Plan years ended December 31, 2013 and 2012, the Plan's investments (including investments bought, sold, and held during the year) appreciated in value by $30,498 and $17,297, respectively, as follows:

	Year ended 12/31/13	Year ended 12/31/12
Mutual funds – net change in fair value	$30,498	$17,297

NOTE 7: INVESTMENTS HELD AT YEAR END

The following information is included in the accompanying financial statements pertaining to investments held at year end:

Investments (at fair value):	2013	2012
Davis NY Venture Fund Class C	$ 61,979	$ 32,965
MFS Total Return Fund Class C	21,602	4,243
BlackRock Global Allocation Fund Investor C	9,547	4,087
BlackRock Capital Appreciation Fund Investor C	52,880	32,920
BlackRock International Fund Investor C	4,875	-
BlackRock Large Cap Core Fund Investor C	1,014	-
BlackRock Large Cap Value Fund Investor C	3,890	-
BlackRock US Government Bond Fund Investor C	372	-
BlackRock Value Opportunities Fund Investor C	42,669	24,600
JPMorgan Dynamic Small Cap Growth C	42,158	18,882
Wells Fargo Advantage Core Bond Fund Class C	1,614	-
BlackRock Ready Assets Prime Money	76,292	97,627
Total Investments	$ 318,892	$ 215,324

The information above represents the total fair market value of all the investment options as listed under Note 1. Additionally, the components of the changes in net assets, including transactions involving cash and participants' loans, if any, for each of the investment fund options were combined and represent an aggregation of all funds for purposes of preparing the accompanying statement of changes in net assets available for Plan benefits.

NOTE 8: FAIR VALUE MEASUREMENTS

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

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

Level 2 – Inputs to the valuation methodology include:

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

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

Level 3 – Inputs 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 assets measured at fair value and the valuation methodologies. There have been no changes in the methodologies used at December 31, 2013, and 2012.

Investments at December 31, 2013:

Mutual funds – Valued using quoted prices listed in active, recognized securities exchanges.

Money market funds – Valued at net asset value at a constant $1.00 per share.

Investments at December 31, 2012:

Mutual funds – Valued using quoted prices listed in active, recognized securities exchanges.

Money market funds – Valued at net asset value at a constant $1.00 per share.

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

NOTE 8: FAIR VALUE MEASUREMENTS (continued)

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2013 and 2012:

Assets at Fair Value as of December 31, 2013

	Level 1	Level 2	Level 3	Total
Mutual funds	$ 242,600	$ -	$ -	$ 242,600
Money market fund	76,292	-	-	76,292
Total assets at fair value	$ 318,892	$ -	$ -	$ 318,892

Assets at Fair Value as of December 31, 2012

	Level 1	Level 2	Level 3	Total
Mutual funds	$ 117,697	$ -	$ -	$ 117,697
Money market fund	97,627	-	-	97,627
Total assets at fair value	$ 215,324	$ -	$ -	$ 215,324

NOTE 9: EXCESS CONTRIBUTIONS PAYABLE

As of December 31, 2013 and 2012, a liability in the amount of $18,692 and $19,268, respectively, are recorded for amounts refundable by the Plan to participants for contributions made in excess of amounts allowed by the Internal Revenue Service.

NOTE 10: 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, 2013 and 2012, to Form 5500:

	2013	2012
Net assets available for benefits per the financial statements	$ 300,200	$ 196,056
Excess contributions payable	18,692	19,268
Net assets available for benefits per the Form 5500	$ 318,892	$ 215,324

The following is a reconciliation of the change in net assets per the financial statements to the Form 5500 for the years ended December 31, 2013 and 2012:

	2013	2012
Net increase in Plan assets per the financial statements	$ 104,144	$ 45,651
Excess contributions payable accrued in current year	18,692	19,268
Payment of excess contributions accrued in prior year	(19,268)	(17,005)
Other adjustment-difference in prior year accrual and refund amount	-	(495)
Net increase in Plan assets per Form 5500	$ 103,568	$ 47,419

NOTE 11: RISK AND UNCERTAINTIES

The Plan provides for various investment options in any combination of stocks, bonds, fixed-income securities, mutual funds, and other investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit. Because of the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits and the statements of changes in net assets available for benefit.

NOTE 12: PARTICIPATING RELATED COMPANIES

The Plan is a single-employer plan, not collectively-bargained, and includes the following participating related companies:

- Acacia Gasoline and Car Wash, LP
- Les June, LP
- Monterey SD Partners, Inc.
- Eastlake Pertroleum, LP
- Encinitas Promenade Gas and Oil
- 4S Ranch Gasoline and Car Wash
- Pico Rivera Gasoline and Car Wash, LP

SUPPLEMENTAL SCHEDULE

MONTEREY SD PARTNERS, INC.
401(k) PROFIT-SHARING PLAN AND TRUST

SCHEDULE H - ITEM 4i
SCHEDULE OF ASSETS (HELD AT END OF YEAR)
EIN: 91-2126651
PLAN NO. 001

DECEMBER 31, 2013

(a)	(b) Identity of Issuer, Borrower, User, or Similar Party	(c) Description of Investment, including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
	Davis NY Venture Fund Class C	Mutual Funds	N/A	$ 61,979
	MFS Total Return Fund Class C	Mutual Funds	N/A	21,602
	BlackRock Global Allocation Fund Investor C	Mutual Funds	N/A	9,547
	BlackRock Capital Appreciation Fund Investor C	Mutual Funds	N/A	52,880
	BlackRock International Fund Investor C	Mutual Funds	N/A	4,875
	BlackRock Large Cap Core Fund Investor C	Mutual Funds	N/A	1,014
	BlackRock Large Cap Value Fund Investor C	Mutual Funds	N/A	3,890
	BlackRock US Government Bond Fund Investor C	Mutual Funds	N/A	372
	BlackRock Value Opportunities Fund Investor C	Mutual Funds	N/A	42,669
	JPMorgan Dynamic Small Cap Growth C	Mutual Funds	N/A	42,158
	Wells Fargo Advantage Core Bond Fund Class C	Mutual Funds	N/A	1,614
	BlackRock Ready Assets Prime Money	Money Market Funds	N/A	76,292
	Total investments			$ 318,892