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
LOCHRIDGE-PRIEST, INC EMPLOYEE SAVINGS AND RETIREMENT

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 10/27/1970

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

LOCHRIDGE-PRIEST, INC

PO BOX 154187
WACO, TX 76715

2b Employer Identification Number (EIN)
74-1460928

2c Sponsor's telephone number
254-772-0670

2d Business code (see instructions)
238220

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2014	DAVID M. MARTIN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2014	DAVID M. MARTIN
	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:	**4b** EIN	
a Sponsor's name	**4c** PN	
5 Total number of participants at the beginning of the plan year	**5**	444
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**	343
b Retired or separated participants receiving benefits	**6b**	0
c Other retired or separated participants entitled to future benefits	**6c**	113
d Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	456
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	2
f Total. Add lines **6d** and **6e**	**6f**	458
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	263
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 2F 2G 2J 2K 3D 2T

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

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

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

a Pension Schedules

(1) [X] **R** (Retirement Plan Information)

(2) [ ] **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary

(3) [ ] **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1) [X] **H** (Financial Information)

(2) [ ] **I** (Financial Information – Small Plan)

(3) [ ] ___ **A** (Insurance Information)

(4) [X] **C** (Service Provider Information)

(5) [ ] **D** (DFE/Participating Plan Information)

(6) [ ] **G** (Financial Transaction Schedules)

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

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
LOCHRIDGE-PRIEST, INC

D Employer Identification Number (EIN)
74-1460928

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

INVESTORS BROKERAGE OF TEXAS
P.O. BOX 2683
225 S. 5TH STREET
WACO, TX 76702-2683

(b) Enter name and EIN or address of person who provided you disclosure 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)

ASCENSUS

11-3665754

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
37 99 15 60 50	RECORD KEEPER	5310	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [X] No [ ]

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

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

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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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

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
LOCHRIDGE-PRIEST, INC EMPLOYEE SAVINGS AND RETIREMENT

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
LOCHRIDGE-PRIEST, INC

D Employer Identification Number (EIN)
74-1460928

Part I Asset and Liability Statement

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	540302	596313
(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)	112980	123180
(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)	3537588	4291896
(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	4190870	5011389
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	4190870	5011389

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)	30325	
(B) Participants	2a(1)(B)	219808	
(C) Others (including rollovers)	2a(1)(C)	9	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		250142
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	5988	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		5988
(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)	196645	
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		196645
(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)		653954
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		1106729

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	276564	
(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)		276564
f Corrective distributions (see instructions)	2f		4336
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)	5310	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		5310
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		286210

Net Income and Reconciliation

k Net income (loss). Subtract line **2j** from line **2d**	2k		820519
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

(1) Name: METZGAR, TRAPLENA, & SULLIVAN **(2)** EIN: 74-3023520

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		500000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? 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

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

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

OMB No. 1210-0110

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
LOCHRIDGE-PRIEST, INC EMPLOYEE SAVINGS AND RETIREMENT

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
LOCHRIDGE-PRIEST, INC

D Employer Identification Number (EIN)
74-1460928

Part I Distributions

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

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

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

EIN(s): 45-0404698

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year **3**

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

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

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

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

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

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

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

MTS

Metzgar, Traplena & Sullivan, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

FRANK W. TRAPLENA, C.P.A.
RONALD D. SULLIVAN, C.P.A.

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INDEPENDENT AUDITORS' REPORT

Lochridge-Priest, Inc.
Employee Savings and Retirement Plan
Waco, Texas

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Lochridge-Priest, Inc. Employee Savings and Retirement Plan, which comprise the statements of net assets available for benefits- modified cash basis as of December 31, 2013 and 2012, and the related statements of changes in net assets available for benefits- modified cash basis for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 2; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 5, which was certified by Frontier Trust Company, the trustee of the Plan, except for comparing the information with the related information included

in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2013 and 2012, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

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

Basis of Accounting

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on a modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matter

The supplemental schedule of assets held at end of year and schedule of delinquent participant contributions are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph we do not express an opinion on the supplemental schedules referred to above.

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

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

Metzgar, Traplena & Sullivan, L.L.P.

METZGAR, TRAPLENA & SULLIVAN, L.L.P.

Waco, Texas
October 14, 2014

LOCHRIDGE-PRIEST, INC.
EMPLOYEE SAVINGS AND RETIREMENT PLAN

ANNUAL AUDIT REPORT

DECEMBER 31, 2013 AND 2012

CONTENTS

	PAGE
INDEPENDENT AUDITORS' REPORT	1-2
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS-MODIFIED CASH BASIS	3
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS-MODIFIED CASH BASIS	4
NOTES TO FINANCIAL STATEMENTS	5-11
SUPPLEMENTARY INFORMATION	12
SCHEDULE OF ASSETS (HELD AT END OF YEAR)	13
SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS	14

MTS

Metzgar, Traplena & Sullivan, L.L.P.

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Employee Savings and Retirement Plan
Waco, Texas

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Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 2; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

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As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 5, which was certified by Frontier Trust Company, the trustee of the Plan, except for comparing the information with the related information included

in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2013 and 2012, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

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

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

Metzgar, Traplena & Sullivan, L.L.P.

METZGAR, TRAPLENA & SULLIVAN, L.L.P.

Waco, Texas
October 14, 2014

LOCHRIDGE-PRIEST, INC. EMPLOYEE SAVINGS AND RETIREMENT PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS - MODIFIED CASH BASIS

December 31,	2013	2012
Assets		
Investments at fair value:		
Shares of registered investment companies:		
American Funds American Balanced Fund A	$ 690,966	$ 559,420
American Funds Bond of America A	404,851	423,467
American Funds Capital Income Bldr	42,890	34,254
American Funds EuroPacific Growth Fund A	29,625	22,610
American Funds SMALLCAP World Fund A	43,643	33,036
American Funds American Mutual Fund A	17,982	9,817
American Funds Growth Fund of America A	1,597,439	1,243,654
American Funds New Perspective Fund A	1,276,579	1,114,746
American Funds Trgt Date Ret 2010A	122,581	91,732
American Funds Trgt Date Ret 2015A	143	84
American Funds Trgt Date Ret 2020A	58,160	-
American Funds Trgt Date Ret 2030A	3,156	530
American Funds Trgt Date Ret 2035A	2,469	3,738
American Funds Trgt Date Ret 2040A	321	254
American Funds Trgt Date Ret 2045A	851	182
American Funds Trgt Date Ret 2055A	240	64
Total investments at fair value	4,291,896	3,537,588
Cash and cash equivalents	596,313	540,302
Participant notes receivable	123,180	112,980
Total assets	$ 5,011,389	$ 4,190,870
Total liabilities	$ -	$ -
Net assets available for benefits	$ 5,011,389	$ 4,190,870

See notes to financial statements.

LOCHRIDGE-PRIEST, INC. EMPLOYEE SAVINGS AND RETIREMENT PLAN STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS - MODIFIED CASH BASIS

Years ended December 31,	2013	2012
Additions to net assets attributed to:		
Investment income:		
Interest and dividends	$ 202,633	$ 51,071
Net appreciation (depreciation) of fair value of investments	653,954	486,647
Total investment income	856,587	537,718
Contributions:		
Employer	30,325	34,239
Employer-other	9	-
Participants	219,808	219,796
Rollover	-	3,264
Total contributions	250,142	257,299
Total additions	1,106,729	795,017
Deductions from net assets attributed to:		
Benefits paid to participants	276,564	332,076
Refunds of excess contributions	4,336	2,832
Administrative expenses	5,310	8,490
Total deductions	286,210	343,398
Net increase	820,519	451,619
Net assets available for benefits:		
At beginning of year	4,190,870	3,739,251
At end of year	$ 5,011,389	$ 4,190,870

See notes to financial statements.

Note 1 – Description of the Plan

The following description of the Lochridge-Priest, Inc., Employee Savings and Retirement Plan (401(k) Plan) (the "Plan") provides only general information. Participants should refer to the Plan Agreement for a more complete description of the Plan's provisions.

General – The Plan is a defined contribution plan covering all full-time employees of the Company who have one year of service and are age eighteen (18) or older. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Participant Contributions – Each year, participants may contribute up to 15% of pretax annual compensation, as defined in the Plan. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. Participants age 50 or over by the end of the plan year are allowed to make additional contributions to the Plan, in excess of the standard limits. Such additional contributions are limited to the lesser of a specific dollar amount determined by the Internal Revenue Service or the participant's compensation for the year reduced by the participant's other elective deferrals.

Employer Contributions – For each Plan year, the employer shall make a matching contribution (of up to $200) to each participant's account equal to 20% of his or her elective deferrals, and may, at its election, make an additional matching contribution. The employer shall not match participants' elective deferrals that are in excess of 6% of participants' compensation.

The employer may also contribute an additional amount determined in its sole judgment. This additional contribution, if any, will be allocated to only non-highly compensated participants, in proportion to each eligible employee's compensation as a ratio of all eligible employees' compensation. These contributions will be nonforfeitable and subject to withdrawal restrictions.

The employer may also contribute an additional amount determined in its sole judgment. Such additional contribution, if any, shall be allocated to each participant in proportion to his or her compensation for the Plan year earned while a participant. A participant will also receive an allocation with respect to his or her compensation in excess of the taxable wage base.

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

Vesting – Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company's matching and discretionary contribution portion of their accounts plus actual earnings thereon is based on years of continuous service. A participant is 100% vested after five years of credited service.

Note 1 – Description of the Plan (continued)

Investment Options – Upon enrollment in the Plan, a participant may direct employee contributions in any of seventeen investment options.

1) American Funds American Balanced Fund A
2) American Funds Bond of America A
3) American Funds Capital Income Bldr
4) American Funds EuroPacific Growth Fund A
5) American Funds SMALLCAP World Fund A
6) American Funds American Mutual Fund A
7) American Funds Growth Fund of America A
8) American Funds New Perspective Fund A
9) American Funds Trgt Date Ret 2010A
10) American Funds Trgt Date Ret 2015A
11) American Funds Trgt Date Ret 2020A
12) American Funds Trgt Date Ret 2030A
13) American Funds Trgt Date Ret 2035A
14) American Funds Trgt Date Ret 2040A
15) American Funds Trgt Date Ret 2045A
16) American Funds Trgt Date Ret 2055A
17) American Funds Money Market Fund A

Participant Notes Receivable – Participant loans are permitted under the Plan. The maximum loan amount available is fifty percent of the participant's vested account balance, but not more than $50,000 reduced by the highest outstanding balance on any loan to the participant during the twelve month period ending on the date the loan is made. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined by the Plan administrator. Principal and interest is paid ratably through 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 or her account, or annual installments. For termination of service due to other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution.

Forfeited Accounts – The Plan provides for the reduction of the employer's contribution by the amount of forfeited nonvested accounts. There were no amounts of forfeitures for the years ended December 31, 2013 and 2012.

Fees and Expenses – Fees and expenses incurred in the administration of the Plan, to the extent not paid by the Company, are charged to and paid from the Plan's assets.

Note 2 – Summary of Significant Accounting Policies

Basis of Accounting – Assets and liabilities are recorded and revenues and expenses are recognized on the cash basis, modified for investments, which are maintained at market value. Consequently, certain revenues are recognized when received rather than when earned and certain expenses are recognized when paid rather than when the obligation is incurred.

Plan Administration – The Company is the Plan sponsor and Plan administrator. The Plan administrator is responsible for carrying out the duties imposed under ERISA.

Estimates – The preparation of financial statements in conformity with the modified cash basis of accounting requires the Plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. 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.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the cash basis. Dividends are recorded on the ex-dividend date.

Payment of Benefits – Benefits are recorded when paid.

Date of Management's Review – Subsequent events have been evaluated as of October 14, 2014, which is the date the financial statements were available to be issued.

Reclassifications – Certain reclassifications have been made to the prior year financial statements in order for them to be in conformity with the current year presentation.

Note 3 – Plan Termination

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

Note 4 – Tax Status

On March 10, 2003 Lochridge-Priest, Inc. adopted the prototype plan sponsored by American Funds Distributors, Inc. In an opinion letter dated May 28, 2002 the Internal Revenue Service (IRC) determined the Plan to be acceptable under section 401 of the Internal Revenue Code for use by employers for the benefit of their employees. The Plan has been amended and restated to comply with legislative actions since adopting the prototype. However, the Plan administrator believes that the Plan was designed and is being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements. The Plan is subject to routine audits by the IRS and generally, the Plan's tax returns remain open for federal income tax examination for three years from the date of filing.

Note 5 – Information Prepared and Certified by Trustee

The following information included in the accompanying financial statements and supplemental schedules were obtained from data that has been prepared and certified to as complete and accurate by the trustee:

		2013			*2012*	
Investments at fair value:						
American Funds American Balanced Fund A (28,295 and 27,423 shares, respectively)	$	690,966	*	$	559,420	*
American Funds Bond of America A (32,649 and 32,700 shares, respectively)		404,851	*		423,467	*
American Funds Capital Income Bldr (733 and 649 shares, respectively)		42,890			34,254	
American Funds EuroPacific Growth Fund A (604 and 549 shares, respectively)		29,625			22,610	
American Funds SMALLCAP World Fund A (888 and 828 shares, respectively)		43,643			33,036	
American Funds American Mutual Fund A (517 and 346 shares, respectively)		17,982			9,817	
American Funds Growth Fund of America A (37,150 and 36,205 shares, respectively)		1,597,439	*		1,243,654	*
American Funds New Perspective Fund A (33,988 and 35,660 shares, respectively)		1,276,579	*		1,114,746	*
American Funds Trgt Date Ret 2010A (12,089 and 9,636 shares, respectively)		122,581			91,732	
American Funds Trgt Date Ret 2015A (13 and 8 shares, respectively)		143			84	
American Funds Trgt Date Ret 2020A (5,184 and 0 shares, respectively)		58,160			-	
American Funds Trgt Date Ret 2030A (254 and 53 shares, respectively)		3,156			530	
American Funds Trgt Date Ret 2035A (199 and 372 shares, respectively)		2,469			3,738	
American Funds Trgt Date Ret 2040A (26 and 25 shares, respectively)		321			254	
American Funds Trgt Date Ret 2045A (68 and 18 shares, respectively)		851			182	
American Funds Trgt Date Ret 2055A (16 and 5 shares, respectively)		240			64	
Contribution Account (9 and 3,524 shares, respectively)		9			3,524	
American Funds Money Market Fund A (596,305 and 536,778 shares, respectively)		596,304	*		536,778	*
Participant Loans		123,180			112,980	
Investment Income (Loss)	$	856,587		$	537,718	

* Represents 5% or more of net assets available for benefits.

Note 6 – Fair Value Measurements

Investment Valuation- The Plan's investments are reported at fair value in the accompanying statements of net assets available for benefits. FASB ASC 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The three levels of the fair value hierarchy under ASC 820 are described below:

Level 1- Quoted market prices in active markets for identical assets or liabilities
Level 2- Observable market-based inputs or unobservable inputs corroborated by market data
Level 3- Unobservable inputs reflecting the reporting entity's own assumptions

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

The following is a description of the valuation methodologies used for assets measured at fair value.

Registered Investment Companies – Shares of mutual funds are valued at quoted market prices, which represent the net asset value of shares held by the Plan at year end.

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

The following tables present information about the Plan's assets measured at fair value on a recurring basis as of December 31, 2013 and 2013:

Assets Measured at Fair Value at December 31, 2013

	Level 1	*Level 2*	*Level 3*	*Total*
Registered Investment Companies	$ 4,291,896	$ -	$ -	$ 4,291,896

Assets Measured at Fair Value at December 31, 2012

	Level 1	*Level 2*	*Level 3*	*Total*
Registered Investment Companies	$ 3,537,588	$ -	$ -	$ 3,537,588

Note 7 – Risks and Uncertainties

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

Note 8 – Investments

The Plan's investments, including investments bought, sold, and held during the year, appreciated in value by $653,954 in 2013 and appreciated in value by $486,647 in 2012 as follows:

	2013	*2012*
American Funds American Balanced Fund A	$ 111,960	$ 57,995
American Funds Bond of America A	(18,478)	12,490
American Funds Capital Income Bldr	3,965	2,231
American Funds EuroPacific Growth Fund A	4,637	4,314
American Funds SMALLCAP World Fund A	7,618	7,470
American Funds American Mutual Fund A	2,611	626
American Funds Growth Fund of America A	312,012	207,270
American Funds New Perspective Fund A	217,150	189,138
American Funds Trgt Date Ret 2010A	6,333	4,802
American Funds Trgt Date Ret 2015A	11	1
American Funds Trgt Date Ret 2020A	5,053	-
American Funds Trgt Date Ret 2030A	322	6
American Funds Trgt Date Ret 2035A	565	294
American Funds Trgt Date Ret 2040A	60	10
American Funds Trgt Date Ret 2045A	104	1
American Funds Trgt Date Ret 2055A	31	(1)
Net Change in Fair Value	$ 653,954	$ 486,647

Note 9 – Benefit Obligations

Net assets available for benefits at December 31, 2013 and 2012 include $565,390 and $478,647, respectively, allocated to the accounts of persons who as of, or prior to, that date had withdrawn from participating in the operations of the Plan. The affected participants have elected to defer distribution as allowed by the Plan.

Note 10 – Subsequent Events

In January 2014, the Company made a contribution of $28,787.

Note 11 –Party-in-Interest Transactions

Certain plan investments are shares of mutual funds managed by Frontier Trust. Frontier Trust is the trustee as defined by the Plan and, therefore, these transactions qualify as party in-interest transactions which are exempt from the prohibited transaction rules. Loans receivable from plan participants and the related interest income are also considered party-in-interest transactions.

Supplemental Information

SCHEDULE H, LINE 4i -
SCHEDULE OF ASSETS (HELD AT END OF YEAR)
For the plan year ending December 31, 2013

LOCHRIDGE-PRIEST, INC.	74-1460928
LOCHRIDGE-PRIEST, INC. EMPLOYEE SAVINGS & RETIREMENT PLAN	001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d) Cost **	(e) Current value
*	American Funds	American Funds American Balanced Fund A		690,966
*	American Funds	American Funds Bond of America A		404,851
*	American Funds	American Funds Capital Income Bldr		42,890
*	American Funds	American Funds EuroPacific Growth Fund A		29,625
*	American Funds	American Funds SMALLCAP World Fund A		43,643
*	American Funds	American Funds American Mutual Fund A		17,982
*	American Funds	American Funds Growth Fund of America A		1,597,439
*	American Funds	American Funds New Perspective Fund A		1,276,579
*	American Funds	American Funds Trgt Date Ret 2010A		122,581
*	American Funds	American Funds Trgt Date Ret 2015A		143
*	American Funds	American Funds Trgt Date Ret 2020A		58,160
*	American Funds	American Funds Trgt Date Ret 2030A		3,156
*	American Funds	American Funds Trgt Date Ret 2035A		2,469
*	American Funds	American Funds Trgt Date Ret 2040A		321
*	American Funds	American Funds Trgt Date Ret 2045A		851
*	American Funds	American Funds Trgt Date Ret 2055A		240
*	Frontier Trust Company	Contribution Account		9
*	American Funds	American Funds Money Market Fund A		596,304
*	Participant Loans	6%, Various Issuance & Maturity Dates, Secured By Participant Account Balances		123,180
		Total assets held for investment purposes		5,011,389

* Indicates a party-in-interest to the plan

** Information not required as all investments are participant directed

SCHEDULE H, LINE 4a -

FORM 5500, SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS

For the plan year ending December 31, 2013

LOCHRIDGE-PRIEST, INC.	74-1460928
LOCHRIDGE-PRIEST, INC. EMPLOYEE SAVINGS & RETIREMENT PLAN	001

Participant Contributions Transferred Late to Plan	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
Check Here if Late Participant Loan Repayments are included ☑	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
8,049	-	-	-	8,049

SCHEDULE H, LINE 4i -
SCHEDULE OF ASSETS (HELD AT END OF YEAR)
For the plan year ending December 31, 2013

LOCHRIDGE-PRIEST, INC.	74-1460928
LOCHRIDGE-PRIEST, INC. EMPLOYEE SAVINGS & RETIREMENT PLAN	001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d) Cost **	(e) Current value
*	American Funds	American Funds American Balanced Fund A		690,966
*	American Funds	American Funds Bond of America A		404,851
*	American Funds	American Funds Capital Income Bldr		42,890
*	American Funds	American Funds EuroPacific Growth Fund A		29,625
*	American Funds	American Funds SMALLCAP World Fund A		43,643
*	American Funds	American Funds American Mutual Fund A		17,982
*	American Funds	American Funds Growth Fund of America A		1,597,439
*	American Funds	American Funds New Perspective Fund A		1,276,579
*	American Funds	American Funds Trgt Date Ret 2010A		122,581
*	American Funds	American Funds Trgt Date Ret 2015A		143
*	American Funds	American Funds Trgt Date Ret 2020A		58,160
*	American Funds	American Funds Trgt Date Ret 2030A		3,156
*	American Funds	American Funds Trgt Date Ret 2035A		2,469
*	American Funds	American Funds Trgt Date Ret 2040A		321
*	American Funds	American Funds Trgt Date Ret 2045A		851
*	American Funds	American Funds Trgt Date Ret 2055A		240
*	Frontier Trust Company	Contribution Account		9
*	American Funds	American Funds Money Market Fund A		596,304
*	Participant Loans	6%, Various Issuance & Maturity Dates, Secured By Participant Account Balances		123,180
		Total assets held for investment purposes		5,011,389

* Indicates a party-in-interest to the plan

** Information not required as all investments are participant directed

SCHEDULE H, LINE 4a -

FORM 5500, SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS

For the plan year ending December 31, 2013

LOCHRIDGE-PRIEST, INC.	74-1460928
LOCHRIDGE-PRIEST, INC. EMPLOYEE SAVINGS & RETIREMENT PLAN	001

Participant Contributions Transferred Late to Plan	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
Check Here if Late Participant Loan Repayments are included ☑	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
8,049	-	-	-	8,049

Attachment to 2013 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name LOCHRIDGE-PRIEST, INC EMPLOYEE SAVINGS AND RETIREMENT **EIN:** 74-1460928
Plan Sponsor's Name LOCHRIDGE-PRIEST, INC **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	American Funds	American Funds American Balanced Fund A	0	690,966
	American Funds	American Funds Bond of America A	0	404,851
	American Funds	American Funds Growth Fund of America A	0	1,597,439
	American Funds	American Funds New Perspective Fund A	0	1,276,579
	American Funds	American Funds Trgt Date Ret 2010A	0	122,581
	American Funds	American Funds Trgt Date Ret 2015A	0	143
	American Funds	American Funds Trgt Date Ret 2020A	0	58,160

Attachment to 2013 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name LOCHRIDGE-PRIEST, INC EMPLOYEE SAVINGS AND RETIREMENT **EIN:** 74-1460928
Plan Sponsor's Name LOCHRIDGE-PRIEST, INC **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	American Funds	American Funds Trgt Date Ret 2030A	0	3,156
	American Funds	American Funds Trgt Date Ret 2035A	0	2,469
	American Funds	American Funds Trgt Date Ret 2040A	0	321
	American Funds	American Funds Trgt Date Ret 2045A	0	851
	American Funds	American Funds SMALLCAP World Fund A	0	43,643
	American Funds	American Funds EuroPacific Growth Fund A	0	29,625
	American Funds	American Funds American Mutual Fund A	0	17,982

Attachment to 2013 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name LOCHRIDGE-PRIEST, INC EMPLOYEE SAVINGS AND RETIREMENT **EIN:** 74-1460928
Plan Sponsor's Name LOCHRIDGE-PRIEST, INC **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	American Funds	American Funds Capital Income Bldr	0	42,890
	American Funds	American Funds Money Market Fund A	0	596,304
	American Funds	American Funds 2055 Trgt Date RetA	0	240
	Participants Loan Account	Various Rates and Maturities	0	123,180
	Frontier Trust Company	Contribution Account	0	9