

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2018 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2018 or fiscal plan year beginning <u>01/01/2018</u> and ending <u>12/31/2018</u>	
A This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ 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:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)

Part II	Basic Plan Information—enter all requested information				
1a Name of plan <u>CHAMPION MOTORS 401(K) PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>08/01/1999</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>08/01/1999</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>08/01/1999</u>					
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>COPANS MOTORS, INC. D/B/A CHAMPION MOTORS</u> <u>500 W. COPANS ROAD</u> <u>POMPANO BEACH, FL 33064</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>59-2844647</u></td> </tr> <tr> <td>2c Plan Sponsor's telephone number <u>954-946-4020</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>441110</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>59-2844647</u>	2c Plan Sponsor's telephone number <u>954-946-4020</u>	2d Business code (see instructions) <u>441110</u>	
2b Employer Identification Number (EIN) <u>59-2844647</u>					
2c Plan Sponsor's telephone number <u>954-946-4020</u>					
2d Business code (see instructions) <u>441110</u>					

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	09/13/2019	TONY SCIPLE
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2018)
v. 171027

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 133
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 111 6a(2) 110 6b 0 6c 22 6d 132 6e 0 6f 132 6g 87 6h 2
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 2K 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) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor

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

a Pension Schedules

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

b General Schedules

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

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

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

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

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

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

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2018
		This Form is Open to Public Inspection.

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018		
A Name of plan CHAMPION MOTORS 401(K) PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 COPANS MOTORS, INC. D/B/A CHAMPION MOTORS	D Employer Identification Number (EIN) 59-2844647	

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
AMERICAN BEACON
75-2401150

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
CALVERT
52-1233223

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
EAGLE FUNDS
59-2385219

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
HOTCHKIS AND WILEY
95-4871957

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

ABERDEEN FUNDS

51-0368279

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

SEI TRUST COMPANY

23-1707341

(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)

ASSET PLANNING GROUP

2000 BANKS ROAD
SUITE 201D
POMPANO BEACH, FL 33063

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27 51	SERVICE PROVIDER	36777	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

WELLS FARGO BANK, N.A.

94-1347393

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 37 49 50 60 62 63 64	SERVICE PROVIDER	4117	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2018 This Form is Open to Public Inspection
For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018		
A Name of plan CHAMPION MOTORS 401(K) PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 COPANS MOTORS, INC. D/B/A CHAMPION MOTORS	D Employer Identification Number (EIN) 59-2844647	

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)		
(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)	134061	126251
(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)	4447862	4108837
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	4581923	4235088

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 through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	4581923	4235088
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Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	31058	
(B) Participants	2a(1)(B)	331967	
(C) Others (including rollovers)	2a(1)(C)	12885	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		375910
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)	5463	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		5463
(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)	47722	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		47722
(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)		-338111
c Other income.....	2c		-4
d Total income. Add all income amounts in column (b) and enter total.....	2d		90980

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	383234	
(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)		383234
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		-2542
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)	57123	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		57123
j Total expenses. Add all expense amounts in column (b) and enter total	2j		437815

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-346835
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) ☒ Disclaimer (4) ☐ Adverse

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

☒ Yes ☐ No

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

(1) Name: MARCUM LLP

(2) EIN: 11-1986325

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

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

Part IV Compliance Questions

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

During the plan year:

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

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

	Yes	No	Amount
4a	X		71082
4b		X	

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

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

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

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

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

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2018 This Form is Open to Public Inspection.
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For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

A Name of plan <u>CHAMPION MOTORS 401(K) PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>COPANS MOTORS, INC. D/B/A CHAMPION MOTORS</u>	D Employer Identification Number (EIN) <u>59-2844647</u>

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

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>41-6257133</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	

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

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

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

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

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

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

Schedule R (Form 5500) 2018
v. 171027

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

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

a The current year

b The plan year immediately preceding the current plan year

c The second preceding plan year

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

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

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

b The corresponding number for the second preceding plan year

15a**15b**

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

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

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

16a**16b**

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

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

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

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

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

Stock: _____ % 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):

September 11, 2019

To the Board of Trustees and Plan Administrator
Champion Motors 401(k) Plan

Re: Required Communications between Marcum and Those Charged With Governance

In accordance with auditing standards generally accepted in the United States of America (“GAAS”), Marcum LLP (“Marcum” or the “Firm”), as auditors of Champion Motors 401(k) Plan (the “Plan”), is required to determine that certain matters related to the conduct of our audit are communicated to the body or individuals (including management) charged with governance (hereafter referred to as the “Those Charged with Governance”). GAAS requires the auditor to ensure that Those Charged with Governance receive additional information regarding the scope and results of the audit that may assist them in overseeing the financial reporting and disclosure process, for which management is responsible.

1. The Auditor’s Responsibility under U.S. Generally Accepted Auditing Standards

Marcum is responsible to communicate the auditor’s responsibilities under GAAS.

As stated in our engagement letter dated May 28, 2019 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, we completed a limited-scope audit and the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Wells Fargo Bank, N.A., the trustee of the Plan, except for comparing such information with the related information included in the accompanying financial statements and the supplemental schedule of assets (held at end of year). We have been informed by the Plan administrator that the trustee holds the Plan’s investment assets and executes investment transactions. The Plan administrator has obtained a certification from the trustee as of December 31, 2018 and 2017 and for the year ended 2018, that the information provided to the Plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedules taken as a whole. 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.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Plan solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

2. Other Information in Documents Containing Audited Financial Statements

Those Charged With Governance should be informed as to the auditor's responsibility for other information in documents containing audited financial statements, as well as any procedures performed and the results.

Our responsibility does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate any other information in documents containing our audit report. However, we are required to read the other information included in the Plan's Form 5500 as prescribed by AU-C 720, "Other Information in Documents Containing Audited Financial Statements," and to conclude whether there is any material inconsistency or material misstatement with the information presented in the Plan's financial statements. With respect to our audit of the Plan's financial statements, we are aware of no such material inconsistencies or material misstatements included in the other information contained in the documents with the audited financial statements.

3. Planned Scope and Timing of the Audit

The auditor should communicate an overview of the planned scope and timing of the audit. This communication may assist Those Charged With Governance in better understanding the consequences of the auditor's work for their oversight activities, discussing with the auditor issues of risk and materiality, and identifying any areas in which they may request the auditor to undertake additional procedures. Such communication may also assist the auditor in better understanding the Plan and its environment. Nevertheless, the auditor maintains sole responsibility to determine the overall audit strategy and the audit plan, including the nature, timing and extent of procedures necessary to obtain sufficient appropriate audit evidence.

We conducted our audit consistent with the planned scope and timing we previously communicated to you. We would be pleased to meet with you to further discuss any of the following matters at your request:

- The allocation of responsibilities between Those Charged With Governance and management.*
- The Plan's objectives and strategies, and the related business risks that may result in material misstatements.*
- Matters you have identified that warrant particular attention during the audit, and any areas where you request additional procedures to be undertaken.*
- Significant communications with regulators.*
- Other matters you believe are relevant to the audit of the financial statements.*
- The attitudes, awareness, and actions of Those Charged With Governance concerning (a) the Plan's internal control and its importance in the Plan, including how Those Charged With Governance oversee the effectiveness of internal control and (b) the detection or the possibility of fraud.*
- The actions of Those Charged With Governance in response to developments in financial reporting, laws, accounting standards, corporate governance practices, and other related matters.*
- The actions of Those Charged With Governance in response to previous communications with the auditor.*

4. Qualitative Aspects of the Plan's Significant Accounting Policies

The auditor should discuss the auditor's judgments about the quality, not just the acceptability, of the Plan's accounting principles as applied in its financial reporting, including the ramifications of alternative methods. The auditor should also discuss the initial selection of, and changes in, significant accounting policies, including the application of new accounting pronouncements. The discussion should be open and frank and generally should include such matters as consistency of the Plan's accounting policies and their application, and the clarity and completeness of the Plan's financial statements, which include related disclosures. The discussion should include items that have a significant impact on the representational faithfulness, verifiability and neutrality of the accounting information included in the financial statements. Particular emphasis should be placed on those policies and principles that are deemed critical. Critical accounting policies are those that are the most important to the portrayal of the Plan's financial condition and results and require management's most difficult, subjective or complex judgments.

There are no specific matters that we believe should be communicated to you. However, we would be pleased to meet with you at your convenience to discuss your significant accounting policies. Since the primary responsibility for establishing the Plan's accounting principles rests with management, such a discussion should generally include the Plan's management as a participant.

5. Management Judgments and Significant Accounting Estimates

Those Charged With Governance should be informed about the process used by management in formulating particularly sensitive accounting estimates and about the basis for the auditor's conclusions regarding the reasonableness of those estimates. Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

There were no significant estimates identified.

6. Financial Statement Disclosures

Those Charged With Governance should be informed about sensitive or otherwise significant financial statement disclosures. GAAP mandates many specific disclosures, and also requires that a complete set of financial statements include all other disclosure necessary to assure the financial statements are not misleading. The determination of appropriate disclosure requires significant judgment by management.

The most sensitive disclosures affecting the Plan's financial statement were described in Note 4 (Fair Value Measurements) to the financial statements.

The financial statement disclosures are neutral, consistent and clear.

7. Significant Difficulties Encountered During the Audit

Serious difficulties encountered in dealing with management that related to the performance of the audit are required to be brought to the attention of Those Charged With Governance.

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

8. Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Those Charged With Governance should be informed that all audit adjustments which have been recorded in the books and records have been reviewed and approved by management and have been reflected properly in the financial statements and footnotes. Those Charged With Governance

should also be informed about uncorrected misstatements that management determined were not material to the financial statements, either individually or in the aggregate, to the financial statements taken as a whole. All corrected or uncorrected adjustments that either individually or in the aggregate appear to indicate a weakness in the financial reporting process or may indicate the potential for fraud should be discussed.

Below are noted audit adjustments, which have been recorded in the books and records, have been reviewed and approved by management and reflected properly in the financial statements and footnotes. None of these adjustments appear to indicate a weakness in financial reporting. There were no uncorrected misstatements.

To record 2018 employer contributions receivable and reverse prior year related accruals:

	<u>Debit</u>	<u>Credit</u>
Employer contributions receivable	\$31,889	
Employer contributions		\$31,889
Employer contributions receivable		\$31,058
Employer contributions	\$31,058	

9. Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, which could be significant to the Plan's financial statements or the auditor's report. However, a disagreement does not include a difference of opinion based on incomplete facts or preliminary information that is later resolved.

There were no such disagreements.

10. Management Consultations with Other Accountants

When the auditor is aware that management has consulted with other accountants about significant accounting or auditing matters, the auditor's views about the subject of the consultation should be communicated to Those Charged With Governance.

To our knowledge, no such consultations were made by management.

11. Other Matters

With respect to the supplementary information accompanying the financial statements, the auditor is required to read the supplementary information and note if there were any material inconsistencies with the accompanying audited financial statements, and whether the method of preparing it has changed from the prior period.

We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves and no discrepancies were noted.

12. Fraud or violations of Laws and Regulations

Those Charged With Governance should be adequately informed of fraud or violations of laws and regulations coming to the auditor's attention during the course of the audit.

There were no fraud or violations of laws and regulations that came to our attention during the course of our audit.

13. Communicating Internal Control Related Matters

Any significant deficiencies or material weaknesses related to the design of controls or implementation of controls coming to the auditor's attention during the audit should be communicated to Those Charged With Governance.

Our consideration of internal control was for the limited purpose described in item # 1 above and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the following in the Plan's internal control to be material weaknesses:

Material Weakness 1 – Financial Reporting and Close Process

Plan management has not implemented a financial reporting and close process over the Plan and relies solely on the third party administrator to perform this process. Plan management does not perform reconciliations of Plan information on a routine basis, related to

participant contributions, distributions and investment activity. In addition, Plan management does not review participant deferrals to ensure that the correct amount is withheld from their weekly payroll and properly remitted to their participant account pursuant to their investment election.

We recommend that Plan management reconcile total contributions withheld from payroll on a monthly or quarterly basis and ensure the amount was properly remitted to the Plan. In addition, Plan management should implement a process to routinely reconcile participant's deferral elections, the amount withheld from the participant's weekly payroll and the amount remitted to the participants' account to ensure the third party administrator is properly allocating the participant's contribution to the Plan. Plan management should also review monthly benefit payments to ensure proper withholding and authorization of all distributions. Additionally, investment activity and performance should be reviewed and reconciled to underlying documentation for reasonableness.

Following are some examples of how this can be achieved:

- Reconcile the contribution (employee, employer match, and employer profit sharing) information provided by the third party administrator/recordkeeper with the internally prepared documentation. This should be done on a quarterly or semiannual basis and at a minimum, annually.*
- Review the information that the third party administrator/recordkeeper provides for accuracy, completeness and reasonableness.*
- Review the annual third-party SOC 1 Type II (service auditors) report for Wells Fargo Bank, N.A. to identify deficiencies in internal controls. All deficiencies identified in the report should be addressed by management.*

Material Weakness 2 - Failure to remit participant contributions to The Department of Labor in a timely manner

For the year ended December 31, 2018 and certain prior years, the Plan Sponsor did not timely remit participant contributions for certain payroll periods to the Plan. The Department of Labor (DOL) requires that participant contributions be remitted to the Plan on the earliest date on which they can reasonably segregate from the Company's general assets. Failure to remit participant contributions to the plan in a timely manner results in a prohibited transaction that must be separately reported to the DOL and may result in penalties to the Plan Sponsor.

A Form 5330 should be filed with the IRS to remit excise taxes due on the contributions that were not remitted timely, and lost earnings must be remitted to the Plan and allocated to participants.

14. Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Plan's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

During 2018, we identified the following matters that did not rise to the level of a material weakness or significant deficiency, but warrants communication with management:

Institution of a 401(k) Investment Committee

Marcum noted that the Plan does not currently have a 401(k) investment committee. Marcum recommends that the Plan establish an investment committee which could be comprised of employee and non-employee directors, as well as the investment advisor, to assist in reviewing investment policies, strategies and transactions. The committee should have regular meetings (with minutes documented) to discuss the Plan's investments.

Additionally, we noted that the trustees do periodically meet with its investment advisors. These meetings as well should be documented within the minutes.

ERISA imposes a fiduciary responsibility requiring a plan, among other things, to manage plan assets solely in the interest of participants and beneficiaries and diversify investments to minimize the risk of large losses. If the plan's fiduciary is determined not to have fulfilled his or her responsibility, the participants would have to be "made whole." This would likely represent costly cash deposits from the plan sponsor and possibly even jeopardize the plan's tax qualification status or lead to penalties, or both.

Communication to Employees

All employees are informed of the existence of the 401(k) Plan during their initial hire orientation, and informed again once they become eligible. However, there is no signed decline form for participants who decide not to participate. Marcum recommends that the Plan establish procedures such that upon initial eligibility for participation, those employees who elect not to enroll in the Plan should complete a negative enrollment form to be kept in their personnel file.

15. Independence

In order to issue an auditor's report, Marcum must be independent from the Plan in accordance with professional standards. The auditor may choose to communicate circumstances or relationships, such as financial interests, business or family relationships or nonaudit services provided or expected to be provided, that in the auditor's judgment may

reasonably be thought to bear on independence, and that the auditor gave significant consideration to in reaching the conclusion that independence has not been impaired.

There are no matters identified that impair our independence.

This report is intended solely for the information and use of the Board of Trustees, plan administrator and management of the Plan and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in cursive script that reads "Marcum LLP".

Marcum LLP

CHAMPION MOTORS 401(k) PLAN
FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES
FOR THE YEAR ENDED DECEMBER 31, 2018

CHAMPION MOTORS 401(k) PLAN

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees and Plan Administrator
Champion Motors 401(k) Plan

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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.

Auditors' 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 ("DOL") Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA"), the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Wells Fargo Bank, N.A., the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule of assets (held at end of year). We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of December 31, 2018 and 2017 and for the year ended December 31, 2018, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

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

Other Matter

The supplemental schedules of assets (held at end of year) and delinquent participant contributions as of and for the year ended December 31, 2018 are required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA 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 of 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 DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Marcum LLP

Fort Lauderdale, FL
September 11, 2019

CHAMPION MOTORS 401(k) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 2018 AND 2017

	2018	2017
Assets		
Investments, at Fair Value	\$ 4,108,837	\$ 4,447,862
Notes Receivable from Participants	126,251	134,061
Employer Contributions Receivable	<u>31,889</u>	<u>31,058</u>
Total Assets	4,266,977	4,612,981
Liabilities	<u>--</u>	<u>--</u>
Net Assets Available for Benefits	<u>\$ 4,266,977</u>	<u>\$ 4,612,981</u>

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

CHAMPION MOTORS 401(k) PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEAR ENDED DECEMBER 31, 2018

Additions to Net Assets

Investment Income (Loss)

Net depreciation in fair value of investments	\$ (338,115)
Dividends	<u>47,722</u>

Net Investment Loss \$ (290,393)

Interest Income on Notes Receivable from Participants

5,463

Contributions

Participant	331,967
Rollover	12,885
Employer	<u>31,889</u>

Total Contributions 376,741

Total Additions 91,811

Deductions from Net Assets

Benefits paid to participants	380,692
Administrative expenses	<u>57,123</u>

Total Deductions 437,815

Net Decrease (346,004)

Net Assets Available for Benefits - Beginning 4,612,981

Net Assets Available for Benefits - Ending \$ 4,266,977

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

CHAMPION MOTORS 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 1 - DESCRIPTION OF THE PLAN

The following description of the Champion Motors 401(k) Plan (the “Plan”) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan’s provisions. Copies of this document are available from the plan administrator.

GENERAL

The Plan is a defined contribution savings plan under Section 401(k) of the Internal Revenue Code (“IRC”), which covers all eligible employees of Copans Motors, Inc. d/b/a Champion Motors (the “Company” or “Plan Sponsor”) who have one year of consecutive service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). The Plan was established on August 1, 1999.

The Board of Trustees and plan administrator are responsible for oversight of the Plan and determine the appropriateness of the Plan’s investment offerings and monitors investment performance.

CONTRIBUTIONS

Participants may contribute on a pre-tax basis, through payroll deductions, up to the maximum percentage allowable not to exceed annual limits established in the IRC (\$18,500 in 2018). Participants age fifty and over are permitted to make “catch-up” 401(k) salary deferral contributions to the Plan, not to exceed annual limits established by the IRC (\$6,000 in 2018). Participants might also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans (“Rollovers”). The Company may make discretionary matching contributions to the Plan. For the year ended December 31, 2018, the Company made a discretionary matching contribution of approximately \$32,000, or approximately 10% of participant contributions at year-end.

Participants direct the investment of their contributions into various investment options offered by the Plan.

PARTICIPANT ACCOUNTS

Each participant’s account is credited with the participant’s contribution, the Company’s discretionary matching contributions, any Rollovers into the Plan and Plan earnings or losses. Each participant’s account is reduced by any withdrawals or distributions and an allocation of administrative fees paid by the Plan. Allocations are based on participant earnings (losses) or account balances, as defined by the Plan document. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account balance.

CHAMPION MOTORS 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 1 - DESCRIPTION OF THE PLAN (CONTINUED)

VESTING

Participants are immediately 100% vested in their individual contributions and Rollovers to the Plan and earnings thereon. Company discretionary matching contributions and earnings thereon vest in accordance with the following schedule:

Years of Service	Vesting Percentage
Less than 2 years	0%
2 years	20%
3 years	40%
4 years	60%
5 years	80%
6 years	100%

The Plan provides for 100% vesting of Company discretionary matching contributions and earnings thereon upon death, disability or attainment of normal retirement age of 65.

NOTES RECEIVABLE FROM PARTICIPANTS

The Plan allows participants to borrow against their vested balances (minimum loan of \$1,000). The interest rate charged is based on local prevailing interest rates under terms established by the Plan. The maximum amount available for loans is the lesser of 50% of the participant's vested account balance or \$50,000, reduced by the highest outstanding loan balance during the prior 12-month period. Loan repayment periods are for a maximum of five years unless the loan is for the purchase of a primary residence, in which case a reasonable repayment period is determined at the time of the loan. Loans are secured by the participant's account balance and evidenced by a declaration agreement. Loan repayments are made through payroll deductions. As of December 31, 2018, the interest rates on outstanding notes receivable from participants ranged from 3.25-5.50%.

If any scheduled loan repayment is not made by the end of the calendar quarter following the calendar quarter that the missed payment was due, the loan is considered to be in default. During the year ended December 31, 2018 approximately \$3,000 in defaulted loans were recorded as benefits paid to participants in the accompanying Statement of Changes in Net Assets Available for Benefits.

CHAMPION MOTORS 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 1 - DESCRIPTION OF THE PLAN (CONTINUED)

PAYMENT OF BENEFITS

Upon termination of employment, death, disability or retirement, a participant or the named beneficiary may receive a lump sum amount equal to the participant's vested interest in the account. Withdrawals under the Plan are allowed for hardship as defined in the IRC or the attainment of age 59-1/2.

HARDSHIP WITHDRAWALS

A participant who is experiencing a financial hardship, as defined in the Plan document, may request a withdrawal of all or any portion of such participant's salary deferral contributions, excluding earnings, and Rollovers, if any. For the year ended December 31, 2018, hardship withdrawals amounted to approximately \$4,000, which are included in benefits paid to participants in the accompanying Statement of Changes in Net Assets Available for Benefits.

FORFEITED ACCOUNTS

Forfeitures are those amounts of the Company's discretionary matching contribution in which a participant is not fully vested at the time of termination. Forfeited balances may be used to pay administrative expenses of the Plan or offset Company discretionary matching contributions. There were no forfeitures used to pay administrative expenses during the year ended December 31, 2018. As of December 31, 2018 and 2017, the forfeiture balances were approximately \$5,000 and \$1,000, respectively.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

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

CHAMPION MOTORS 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

USE OF ESTIMATES

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

INVESTMENTS VALUATION AND INCOME RECOGNITION

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between participants at the measurement date. The Board of Trustees and the plan administrator determine the Plan’s valuation policies utilizing information provided by the investment advisers and trustee. See Note 4 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 (depreciation) includes the Plan’s gains and losses on investments bought and sold as well as investments held during the year. All gains and losses are reported in the accompanying Statement of Changes in Net Assets Available for Benefits.

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 as incurred. Delinquent loans are treated as distributions based upon the terms of the Plan document. No allowance for credit losses has been recorded as of December 31, 2018 or 2017.

BENEFITS PAID TO PARTICIPANTS

Benefits are recorded when paid.

CHAMPION MOTORS 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

PLAN EXPENSES

Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Fees paid to third parties for services provided to and on behalf of the Plan and fees related to the administration of notes receivable from participants are charged directly to the participants account and are included in administrative expenses. Investment related expenses are included in net appreciation (depreciation) of fair value of investments.

RISKS AND UNCERTAINTIES

The Plan provides for various investment options in various investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the accompanying Statements of Net Assets Available for Benefits. The Board of Trustees and the plan administrator, through the Plan's investment advisor, monitors the Plans' investments and the risks associated therewith on a regular basis, which the plan administrator believes minimizes these risks.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENT

In August 2018, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2018-13, Fair Value Measurement (Topic 820) Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement, which modifies the disclosure requirements on fair value measurements under ASC Topic No. 820, Fair Value Measurements and Disclosures, as amended. For nonpublic companies, ASU 2018-13, removes (a) the prior requirement to disclose the amount and reason for transfers between Level 1 and Level 2 of the fair value hierarchy, (b) the policy for timing of transfers between levels, (c) the valuation process used for Level 3 fair value measurements, and (d) the requirement to disclose changes in unrealized gains and losses for the period included in earnings for recurring Level 3 fair value measurements. For nonpublic companies, ASU 2018-13 also adds, among other things, a requirement to disclose transfers into and out of Level 3 of the fair value hierarchy, and purchases and issuances of Level 3 assets and liabilities, rather than reconcile the opening balances to the closing balances of recurring Level 3 fair value measurements. The amendment is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. Early adoption was permitted upon issuance of ASU 2018-13. The Plan has not adopted ASU 2018-13 and, based on its preliminary assessment, does not believe the adoption will have a significant impact on its financial statements.

CHAMPION MOTORS 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

SUBSEQUENT EVENTS

The Plan has evaluated subsequent events through September 11, 2019, the date the financial statements were available to be issued.

NOTE 3 – INFORMATION PREPARED AND CERTIFIED BY PLAN TRUSTEE

The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's ("DOL") Rules and Regulations for Reporting and Disclosure under ERISA. Certain information related to investments and notes receivable from participants disclosed in the accompanying financial statements and supplemental schedule of assets (held at end of year), including investments and notes receivable from participants held at December 31, 2018 and 2017, and net appreciation (depreciation) in fair value of investments, interest and dividends for the year ended December 31, 2018, was obtained or derived from information supplied to the plan administrator and certified as complete and accurate by Wells Fargo Bank, N.A. (the trustee of the Plan).

NOTE 4 - FAIR VALUE MEASUREMENTS

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

CHAMPION MOTORS 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 4 - FAIR VALUE MEASUREMENTS (CONTINUED)

Level 2 (continued)

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

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

Mutual Funds

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

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2018 and 2017:

	Assets at Fair Value as of December 31, 2018			
	Level 1	Level 2	Level 3	Total
Mutual Funds	\$ 4,108,837	\$ --	\$ --	\$ 4,108,837
Total Assets at Fair Value	<u>\$ 4,108,837</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 4,108,837</u>

	Assets at Fair Value as of December 31, 2017			
	Level 1	Level 2	Level 3	Total
Mutual Funds	\$ 4,447,862	\$ --	\$ --	\$ 4,447,862
Total Assets at Fair Value	<u>\$ 4,447,862</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 4,447,862</u>

CHAMPION MOTORS 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 5 – PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments are shares of mutual funds which are managed by SEI Private Trust Company (“SEI”), which is owned by Wells Fargo, the trustee and custodian of the Plan, and therefore, these transactions qualify as party-in-interest transactions. Fees paid by the Plan to SEI for investments and administrative services were approximately \$57,000 for the year ended December 31, 2018.

NOTE 6 – TAX STATUS

The Plan adopted a volume submitter profit sharing plan with CODA sponsored by Wells Fargo Bank, N.A. that received a favorable opinion letter from the Internal Revenue Service (“IRS”) on March 31, 2014, which stated that the Plan and related trust, as then designed, are in accordance with applicable sections of the IRC.

U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

NOTE 7 – PLAN TERMINATION

Although it has not expressed any intent to do so, the Plan Sponsor 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 the Plan’s termination, participants will become 100% vested in their accounts.

NOTE 8 - PROHIBITED TRANSACTIONS

During 2018 and certain prior years, participant contributions (inclusive of notes receivable payments), totaling approximately \$72,000 were not remitted timely to the Plan. The DOL requires that participant contributions be remitted to the Plan on the earliest date on which they can be reasonably segregated from the Company’s general assets. Failure to remit participant contributions to the Plan in a timely manner results in a prohibited transaction which must be separately reported to the DOL and may result in penalties to the Plan Sponsor. The Plan Sponsor intends to correct these prohibited transactions in accordance with DOL guidelines. The accompanying Schedule of Delinquent Participant Contributions presents the prohibited transactions of the Plan.

CHAMPION MOTORS 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 9 - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements as of December 31, 2018 and 2017 to the Form 5500:

	2018	2017
Net assets available for benefits per the financial statements	\$ 4,266,977	\$ 4,612,981
Employer contributions receivable	<u>(31,889)</u>	<u>(31,058)</u>
Net Assets Available for Benefits per the Form 5500	<u>\$ 4,235,088</u>	<u>\$ 4,581,923</u>

The following is a reconciliation of contributions per the financial statements for the year ended December 31, 2018 to the Form 5500:

Contributions per the financial statements	\$ 376,741
Employer contributions receivable	(31,889)
Reverse prior year employer contributions receivable	<u>31,058</u>
Total Contributions per the Form 5500	<u>\$ 375,910</u>

The following is a reconciliation of net decrease per the financial statements for the year ended December 31, 2018 to the Form 5500:

Net decrease per the financial statements	\$ (346,004)
Employer contributions receivable	(31,889)
Reverse prior year employer contributions receivable	<u>31,058</u>
Net Decrease per the Form 5500	<u>\$ (346,835)</u>

CHAMPION MOTORS 401(k) PLAN

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

DECEMBER 31, 2018

EIN: 59-2844647

PLAN 001

(a)	Identity of Issuer, Borrower, Lessor or Similar Party (b)	Description of Investment including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value (c)	Cost (d)	Current Value (e)
	Mutual Funds			
	Calvert	Calvert Equity Fund Class A	**	\$ 585,121
*	SEI	SEI S&P 500 Index I (SIMT)	**	536,281
*	SEI	Wells Fargo Govt MMkt I	**	500,499
*	SEI	SEI Large Cap Value I (SIMT)	**	437,475
	Aberdeen	Aberdeen Select International Equity A	**	294,114
*	SEI	SEI Mid-Cap F (SIMT)	**	277,095
*	SEI	SEI GNMA Bond F	**	243,333
	Hotchkis & Wiley	Hotchkis & Wiley Mid-Cap Value A	**	210,557
*	SEI	SEI Small Cap Growth I (SIMT)	**	203,602
	Eagle	Carillon Eagle Mid Cap Growth Fund A	**	186,139
	American Beacon	American Beacon Small Cap Value/Advisor	**	183,171
*	SEI	SEI Emerging Markets Equity F (SIT)	**	161,023
*	SEI	SEI Core Fixed Income I (SIMT)	**	149,992
*	SEI	SEI Emerging Markets Debt F (SIT)	**	88,903
*	SEI	SEI Large Cap Growth I (SIMT)	**	24,943
*	SEI	SEI Aggressive Strategy I (SAAT)	**	15,943
*	SEI	SEI International Equity I (SIT)	**	7,923
*	SEI	SEI Small Cap Value I (SIMT)	**	<u>2,721</u>
	Total Investments			4,108,837
*	Notes receivable from participants	3.25-5.50%, maturity dates through 2028	<u>\$ --</u>	<u>126,251</u>
	Total			<u><u>\$ 4,235,088</u></u>

* Represents a party-in-interest.

** Cost information not required for participant directed investments.

See independent auditors' report.

CHAMPION MOTORS 401(k) PLAN

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

FOR THE YEAR ENDED DECEMBER 31, 2018

EIN: 59-2844647

PLAN 001

Plan Year	Participant Contributions Transferred Late to Plan	Check Here if Late Participant Loan Repayments are included:	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
			Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correct- ion in VFCP	
2018	\$ 8,666	X	\$ 8,666	\$ --	\$ --	\$ --
2017	\$ 10,811	X	\$ 10,811	\$ --	\$ --	\$ --
2016	\$ 30,721	X	\$ 30,721	\$ --	\$ --	\$ --
2014	\$ 4,329	X	\$ 4,329	\$ --	\$ --	\$ --
2013	\$ 11,230	X	\$ 11,230	\$ --	\$ --	\$ --
2011	\$ 5,325	X	\$ 5,325	\$ --	\$ --	\$ --

See independent auditors' report.

September 11, 2019

To the Board of Trustees and Plan Administrator
Champion Motors 401(k) Plan

Re: Required Communications between Marcum and Those Charged With Governance

In accordance with auditing standards generally accepted in the United States of America (“GAAS”), Marcum LLP (“Marcum” or the “Firm”), as auditors of Champion Motors 401(k) Plan (the “Plan”), is required to determine that certain matters related to the conduct of our audit are communicated to the body or individuals (including management) charged with governance (hereafter referred to as the “Those Charged with Governance”). GAAS requires the auditor to ensure that Those Charged with Governance receive additional information regarding the scope and results of the audit that may assist them in overseeing the financial reporting and disclosure process, for which management is responsible.

1. The Auditor’s Responsibility under U.S. Generally Accepted Auditing Standards

Marcum is responsible to communicate the auditor’s responsibilities under GAAS.

As stated in our engagement letter dated May 28, 2019 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, we completed a limited-scope audit and the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Wells Fargo Bank, N.A., the trustee of the Plan, except for comparing such information with the related information included in the accompanying financial statements and the supplemental schedule of assets (held at end of year). We have been informed by the Plan administrator that the trustee holds the Plan’s investment assets and executes investment transactions. The Plan administrator has obtained a certification from the trustee as of December 31, 2018 and 2017 and for the year ended 2018, that the information provided to the Plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedules taken as a whole. 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.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Plan solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

2. Other Information in Documents Containing Audited Financial Statements

Those Charged With Governance should be informed as to the auditor's responsibility for other information in documents containing audited financial statements, as well as any procedures performed and the results.

Our responsibility does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate any other information in documents containing our audit report. However, we are required to read the other information included in the Plan's Form 5500 as prescribed by AU-C 720, "Other Information in Documents Containing Audited Financial Statements," and to conclude whether there is any material inconsistency or material misstatement with the information presented in the Plan's financial statements. With respect to our audit of the Plan's financial statements, we are aware of no such material inconsistencies or material misstatements included in the other information contained in the documents with the audited financial statements.

3. Planned Scope and Timing of the Audit

The auditor should communicate an overview of the planned scope and timing of the audit. This communication may assist Those Charged With Governance in better understanding the consequences of the auditor's work for their oversight activities, discussing with the auditor issues of risk and materiality, and identifying any areas in which they may request the auditor to undertake additional procedures. Such communication may also assist the auditor in better understanding the Plan and its environment. Nevertheless, the auditor maintains sole responsibility to determine the overall audit strategy and the audit plan, including the nature, timing and extent of procedures necessary to obtain sufficient appropriate audit evidence.

We conducted our audit consistent with the planned scope and timing we previously communicated to you. We would be pleased to meet with you to further discuss any of the following matters at your request:

- *The allocation of responsibilities between Those Charged With Governance and management.*
- *The Plan's objectives and strategies, and the related business risks that may result in material misstatements.*
- *Matters you have identified that warrant particular attention during the audit, and any areas where you request additional procedures to be undertaken.*
- *Significant communications with regulators.*
- *Other matters you believe are relevant to the audit of the financial statements.*
- *The attitudes, awareness, and actions of Those Charged With Governance concerning (a) the Plan's internal control and its importance in the Plan, including how Those Charged With Governance oversee the effectiveness of internal control and (b) the detection or the possibility of fraud.*
- *The actions of Those Charged With Governance in response to developments in financial reporting, laws, accounting standards, corporate governance practices, and other related matters.*
- *The actions of Those Charged With Governance in response to previous communications with the auditor.*

4. Qualitative Aspects of the Plan's Significant Accounting Policies

The auditor should discuss the auditor's judgments about the quality, not just the acceptability, of the Plan's accounting principles as applied in its financial reporting, including the ramifications of alternative methods. The auditor should also discuss the initial selection of, and changes in, significant accounting policies, including the application of new accounting pronouncements. The discussion should be open and frank and generally should include such matters as consistency of the Plan's accounting policies and their application, and the clarity and completeness of the Plan's financial statements, which include related disclosures. The discussion should include items that have a significant impact on the representational faithfulness, verifiability and neutrality of the accounting information included in the financial statements. Particular emphasis should be placed on those policies and principles that are deemed critical. Critical accounting policies are those that are the most important to the portrayal of the Plan's financial condition and results and require management's most difficult, subjective or complex judgments.

There are no specific matters that we believe should be communicated to you. However, we would be pleased to meet with you at your convenience to discuss your significant accounting policies. Since the primary responsibility for establishing the Plan's accounting principles rests with management, such a discussion should generally include the Plan's management as a participant.

5. Management Judgments and Significant Accounting Estimates

Those Charged With Governance should be informed about the process used by management in formulating particularly sensitive accounting estimates and about the basis for the auditor's conclusions regarding the reasonableness of those estimates. Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

There were no significant estimates identified.

6. Financial Statement Disclosures

Those Charged With Governance should be informed about sensitive or otherwise significant financial statement disclosures. GAAP mandates many specific disclosures, and also requires that a complete set of financial statements include all other disclosure necessary to assure the financial statements are not misleading. The determination of appropriate disclosure requires significant judgment by management.

The most sensitive disclosures affecting the Plan's financial statement were described in Note 4 (Fair Value Measurements) to the financial statements.

The financial statement disclosures are neutral, consistent and clear.

7. Significant Difficulties Encountered During the Audit

Serious difficulties encountered in dealing with management that related to the performance of the audit are required to be brought to the attention of Those Charged With Governance.

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

8. Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Those Charged With Governance should be informed that all audit adjustments which have been recorded in the books and records have been reviewed and approved by management and have been reflected properly in the financial statements and footnotes. Those Charged With Governance

should also be informed about uncorrected misstatements that management determined were not material to the financial statements, either individually or in the aggregate, to the financial statements taken as a whole. All corrected or uncorrected adjustments that either individually or in the aggregate appear to indicate a weakness in the financial reporting process or may indicate the potential for fraud should be discussed.

Below are noted audit adjustments, which have been recorded in the books and records, have been reviewed and approved by management and reflected properly in the financial statements and footnotes. None of these adjustments appear to indicate a weakness in financial reporting. There were no uncorrected misstatements.

To record 2018 employer contributions receivable and reverse prior year related accruals:

	<u>Debit</u>	<u>Credit</u>
Employer contributions receivable	\$31,889	
Employer contributions		\$31,889
Employer contributions receivable		\$31,058
Employer contributions	\$31,058	

9. Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, which could be significant to the Plan's financial statements or the auditor's report. However, a disagreement does not include a difference of opinion based on incomplete facts or preliminary information that is later resolved.

There were no such disagreements.

10. Management Consultations with Other Accountants

When the auditor is aware that management has consulted with other accountants about significant accounting or auditing matters, the auditor's views about the subject of the consultation should be communicated to Those Charged With Governance.

To our knowledge, no such consultations were made by management.

11. Other Matters

With respect to the supplementary information accompanying the financial statements, the auditor is required to read the supplementary information and note if there were any material inconsistencies with the accompanying audited financial statements, and whether the method of preparing it has changed from the prior period.

We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves and no discrepancies were noted.

12. Fraud or violations of Laws and Regulations

Those Charged With Governance should be adequately informed of fraud or violations of laws and regulations coming to the auditor's attention during the course of the audit.

There were no fraud or violations of laws and regulations that came to our attention during the course of our audit.

13. Communicating Internal Control Related Matters

Any significant deficiencies or material weaknesses related to the design of controls or implementation of controls coming to the auditor's attention during the audit should be communicated to Those Charged With Governance.

Our consideration of internal control was for the limited purpose described in item # 1 above and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the following in the Plan's internal control to be material weaknesses:

Material Weakness 1 – Financial Reporting and Close Process

Plan management has not implemented a financial reporting and close process over the Plan and relies solely on the third party administrator to perform this process. Plan management does not perform reconciliations of Plan information on a routine basis, related to

participant contributions, distributions and investment activity. In addition, Plan management does not review participant deferrals to ensure that the correct amount is withheld from their weekly payroll and properly remitted to their participant account pursuant to their investment election.

We recommend that Plan management reconcile total contributions withheld from payroll on a monthly or quarterly basis and ensure the amount was properly remitted to the Plan. In addition, Plan management should implement a process to routinely reconcile participant's deferral elections, the amount withheld from the participant's weekly payroll and the amount remitted to the participants' account to ensure the third party administrator is properly allocating the participant's contribution to the Plan. Plan management should also review monthly benefit payments to ensure proper withholding and authorization of all distributions. Additionally, investment activity and performance should be reviewed and reconciled to underlying documentation for reasonableness.

Following are some examples of how this can be achieved:

- Reconcile the contribution (employee, employer match, and employer profit sharing) information provided by the third party administrator/recordkeeper with the internally prepared documentation. This should be done on a quarterly or semiannual basis and at a minimum, annually.*
- Review the information that the third party administrator/recordkeeper provides for accuracy, completeness and reasonableness.*
- Review the annual third-party SOC 1 Type II (service auditors) report for Wells Fargo Bank, N.A. to identify deficiencies in internal controls. All deficiencies identified in the report should be addressed by management.*

Material Weakness 2 - Failure to remit participant contributions to The Department of Labor in a timely manner

For the year ended December 31, 2018 and certain prior years, the Plan Sponsor did not timely remit participant contributions for certain payroll periods to the Plan. The Department of Labor (DOL) requires that participant contributions be remitted to the Plan on the earliest date on which they can reasonably segregate from the Company's general assets. Failure to remit participant contributions to the plan in a timely manner results in a prohibited transaction that must be separately reported to the DOL and may result in penalties to the Plan Sponsor.

A Form 5330 should be filed with the IRS to remit excise taxes due on the contributions that were not remitted timely, and lost earnings must be remitted to the Plan and allocated to participants.

14. Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Plan's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

During 2018, we identified the following matters that did not rise to the level of a material weakness or significant deficiency, but warrants communication with management:

Institution of a 401(k) Investment Committee

Marcum noted that the Plan does not currently have a 401(k) investment committee. Marcum recommends that the Plan establish an investment committee which could be comprised of employee and non-employee directors, as well as the investment advisor, to assist in reviewing investment policies, strategies and transactions. The committee should have regular meetings (with minutes documented) to discuss the Plan's investments.

Additionally, we noted that the trustees do periodically meet with its investment advisors. These meetings as well should be documented within the minutes.

ERISA imposes a fiduciary responsibility requiring a plan, among other things, to manage plan assets solely in the interest of participants and beneficiaries and diversify investments to minimize the risk of large losses. If the plan's fiduciary is determined not to have fulfilled his or her responsibility, the participants would have to be "made whole." This would likely represent costly cash deposits from the plan sponsor and possibly even jeopardize the plan's tax qualification status or lead to penalties, or both.

Communication to Employees

All employees are informed of the existence of the 401(k) Plan during their initial hire orientation, and informed again once they become eligible. However, there is no signed decline form for participants who decide not to participate. Marcum recommends that the Plan establish procedures such that upon initial eligibility for participation, those employees who elect not to enroll in the Plan should complete a negative enrollment form to be kept in their personnel file.

15. Independence

In order to issue an auditor's report, Marcum must be independent from the Plan in accordance with professional standards. The auditor may choose to communicate circumstances or relationships, such as financial interests, business or family relationships or nonaudit services provided or expected to be provided, that in the auditor's judgment may

reasonably be thought to bear on independence, and that the auditor gave significant consideration to in reaching the conclusion that independence has not been impaired.

There are no matters identified that impair our independence.

This report is intended solely for the information and use of the Board of Trustees, plan administrator and management of the Plan and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in cursive script that reads "Marcum LLP".

Marcum LLP

CHAMPION MOTORS 401(k) PLAN
FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES
FOR THE YEAR ENDED DECEMBER 31, 2018

CHAMPION MOTORS 401(k) PLAN

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees and Plan Administrator
Champion Motors 401(k) Plan

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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.

Auditors' 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 ("DOL") Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA"), the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Wells Fargo Bank, N.A., the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule of assets (held at end of year). We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of December 31, 2018 and 2017 and for the year ended December 31, 2018, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

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

Other Matter

The supplemental schedules of assets (held at end of year) and delinquent participant contributions as of and for the year ended December 31, 2018 are required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA 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 of 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 DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Marcum LLP

Fort Lauderdale, FL
September 11, 2019

CHAMPION MOTORS 401(k) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 2018 AND 2017

	2018	2017
Assets		
Investments, at Fair Value	\$ 4,108,837	\$ 4,447,862
Notes Receivable from Participants	126,251	134,061
Employer Contributions Receivable	<u>31,889</u>	<u>31,058</u>
Total Assets	4,266,977	4,612,981
Liabilities	<u>--</u>	<u>--</u>
Net Assets Available for Benefits	<u>\$ 4,266,977</u>	<u>\$ 4,612,981</u>

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

CHAMPION MOTORS 401(k) PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEAR ENDED DECEMBER 31, 2018

Additions to Net Assets

Investment Income (Loss)

Net depreciation in fair value of investments	\$ (338,115)
Dividends	<u>47,722</u>

Net Investment Loss \$ (290,393)

Interest Income on Notes Receivable from Participants

5,463

Contributions

Participant	331,967
Rollover	12,885
Employer	<u>31,889</u>

Total Contributions 376,741

Total Additions 91,811

Deductions from Net Assets

Benefits paid to participants	380,692
Administrative expenses	<u>57,123</u>

Total Deductions 437,815

Net Decrease (346,004)

Net Assets Available for Benefits - Beginning 4,612,981

Net Assets Available for Benefits - Ending \$ 4,266,977

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

CHAMPION MOTORS 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 1 - DESCRIPTION OF THE PLAN

The following description of the Champion Motors 401(k) Plan (the “Plan”) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan’s provisions. Copies of this document are available from the plan administrator.

GENERAL

The Plan is a defined contribution savings plan under Section 401(k) of the Internal Revenue Code (“IRC”), which covers all eligible employees of Copans Motors, Inc. d/b/a Champion Motors (the “Company” or “Plan Sponsor”) who have one year of consecutive service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). The Plan was established on August 1, 1999.

The Board of Trustees and plan administrator are responsible for oversight of the Plan and determine the appropriateness of the Plan’s investment offerings and monitors investment performance.

CONTRIBUTIONS

Participants may contribute on a pre-tax basis, through payroll deductions, up to the maximum percentage allowable not to exceed annual limits established in the IRC (\$18,500 in 2018). Participants age fifty and over are permitted to make “catch-up” 401(k) salary deferral contributions to the Plan, not to exceed annual limits established by the IRC (\$6,000 in 2018). Participants might also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans (“Rollovers”). The Company may make discretionary matching contributions to the Plan. For the year ended December 31, 2018, the Company made a discretionary matching contribution of approximately \$32,000, or approximately 10% of participant contributions at year-end.

Participants direct the investment of their contributions into various investment options offered by the Plan.

PARTICIPANT ACCOUNTS

Each participant’s account is credited with the participant’s contribution, the Company’s discretionary matching contributions, any Rollovers into the Plan and Plan earnings or losses. Each participant’s account is reduced by any withdrawals or distributions and an allocation of administrative fees paid by the Plan. Allocations are based on participant earnings (losses) or account balances, as defined by the Plan document. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account balance.

CHAMPION MOTORS 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 1 - DESCRIPTION OF THE PLAN (CONTINUED)

VESTING

Participants are immediately 100% vested in their individual contributions and Rollovers to the Plan and earnings thereon. Company discretionary matching contributions and earnings thereon vest in accordance with the following schedule:

Years of Service	Vesting Percentage
Less than 2 years	0%
2 years	20%
3 years	40%
4 years	60%
5 years	80%
6 years	100%

The Plan provides for 100% vesting of Company discretionary matching contributions and earnings thereon upon death, disability or attainment of normal retirement age of 65.

NOTES RECEIVABLE FROM PARTICIPANTS

The Plan allows participants to borrow against their vested balances (minimum loan of \$1,000). The interest rate charged is based on local prevailing interest rates under terms established by the Plan. The maximum amount available for loans is the lesser of 50% of the participant's vested account balance or \$50,000, reduced by the highest outstanding loan balance during the prior 12-month period. Loan repayment periods are for a maximum of five years unless the loan is for the purchase of a primary residence, in which case a reasonable repayment period is determined at the time of the loan. Loans are secured by the participant's account balance and evidenced by a declaration agreement. Loan repayments are made through payroll deductions. As of December 31, 2018, the interest rates on outstanding notes receivable from participants ranged from 3.25-5.50%.

If any scheduled loan repayment is not made by the end of the calendar quarter following the calendar quarter that the missed payment was due, the loan is considered to be in default. During the year ended December 31, 2018 approximately \$3,000 in defaulted loans were recorded as benefits paid to participants in the accompanying Statement of Changes in Net Assets Available for Benefits.

CHAMPION MOTORS 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 1 - DESCRIPTION OF THE PLAN (CONTINUED)

PAYMENT OF BENEFITS

Upon termination of employment, death, disability or retirement, a participant or the named beneficiary may receive a lump sum amount equal to the participant's vested interest in the account. Withdrawals under the Plan are allowed for hardship as defined in the IRC or the attainment of age 59-1/2.

HARDSHIP WITHDRAWALS

A participant who is experiencing a financial hardship, as defined in the Plan document, may request a withdrawal of all or any portion of such participant's salary deferral contributions, excluding earnings, and Rollovers, if any. For the year ended December 31, 2018, hardship withdrawals amounted to approximately \$4,000, which are included in benefits paid to participants in the accompanying Statement of Changes in Net Assets Available for Benefits.

FORFEITED ACCOUNTS

Forfeitures are those amounts of the Company's discretionary matching contribution in which a participant is not fully vested at the time of termination. Forfeited balances may be used to pay administrative expenses of the Plan or offset Company discretionary matching contributions. There were no forfeitures used to pay administrative expenses during the year ended December 31, 2018. As of December 31, 2018 and 2017, the forfeiture balances were approximately \$5,000 and \$1,000, respectively.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

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

CHAMPION MOTORS 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

USE OF ESTIMATES

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

INVESTMENTS VALUATION AND INCOME RECOGNITION

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between participants at the measurement date. The Board of Trustees and the plan administrator determine the Plan’s valuation policies utilizing information provided by the investment advisers and trustee. See Note 4 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 (depreciation) includes the Plan’s gains and losses on investments bought and sold as well as investments held during the year. All gains and losses are reported in the accompanying Statement of Changes in Net Assets Available for Benefits.

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 as incurred. Delinquent loans are treated as distributions based upon the terms of the Plan document. No allowance for credit losses has been recorded as of December 31, 2018 or 2017.

BENEFITS PAID TO PARTICIPANTS

Benefits are recorded when paid.

CHAMPION MOTORS 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

PLAN EXPENSES

Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Fees paid to third parties for services provided to and on behalf of the Plan and fees related to the administration of notes receivable from participants are charged directly to the participants account and are included in administrative expenses. Investment related expenses are included in net appreciation (depreciation) of fair value of investments.

RISKS AND UNCERTAINTIES

The Plan provides for various investment options in various investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the accompanying Statements of Net Assets Available for Benefits. The Board of Trustees and the plan administrator, through the Plan's investment advisor, monitors the Plans' investments and the risks associated therewith on a regular basis, which the plan administrator believes minimizes these risks.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENT

In August 2018, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2018-13, Fair Value Measurement (Topic 820) Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement, which modifies the disclosure requirements on fair value measurements under ASC Topic No. 820, Fair Value Measurements and Disclosures, as amended. For nonpublic companies, ASU 2018-13, removes (a) the prior requirement to disclose the amount and reason for transfers between Level 1 and Level 2 of the fair value hierarchy, (b) the policy for timing of transfers between levels, (c) the valuation process used for Level 3 fair value measurements, and (d) the requirement to disclose changes in unrealized gains and losses for the period included in earnings for recurring Level 3 fair value measurements. For nonpublic companies, ASU 2018-13 also adds, among other things, a requirement to disclose transfers into and out of Level 3 of the fair value hierarchy, and purchases and issuances of Level 3 assets and liabilities, rather than reconcile the opening balances to the closing balances of recurring Level 3 fair value measurements. The amendment is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. Early adoption was permitted upon issuance of ASU 2018-13. The Plan has not adopted ASU 2018-13 and, based on its preliminary assessment, does not believe the adoption will have a significant impact on its financial statements.

CHAMPION MOTORS 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

SUBSEQUENT EVENTS

The Plan has evaluated subsequent events through September 11, 2019, the date the financial statements were available to be issued.

NOTE 3 – INFORMATION PREPARED AND CERTIFIED BY PLAN TRUSTEE

The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's ("DOL") Rules and Regulations for Reporting and Disclosure under ERISA. Certain information related to investments and notes receivable from participants disclosed in the accompanying financial statements and supplemental schedule of assets (held at end of year), including investments and notes receivable from participants held at December 31, 2018 and 2017, and net appreciation (depreciation) in fair value of investments, interest and dividends for the year ended December 31, 2018, was obtained or derived from information supplied to the plan administrator and certified as complete and accurate by Wells Fargo Bank, N.A. (the trustee of the Plan).

NOTE 4 - FAIR VALUE MEASUREMENTS

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

CHAMPION MOTORS 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 4 - FAIR VALUE MEASUREMENTS (CONTINUED)

Level 2 (continued)

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

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

Mutual Funds

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

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2018 and 2017:

	Assets at Fair Value as of December 31, 2018			
	Level 1	Level 2	Level 3	Total
Mutual Funds	\$ 4,108,837	\$ --	\$ --	\$ 4,108,837
Total Assets at Fair Value	<u>\$ 4,108,837</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 4,108,837</u>

	Assets at Fair Value as of December 31, 2017			
	Level 1	Level 2	Level 3	Total
Mutual Funds	\$ 4,447,862	\$ --	\$ --	\$ 4,447,862
Total Assets at Fair Value	<u>\$ 4,447,862</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 4,447,862</u>

CHAMPION MOTORS 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 5 – PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments are shares of mutual funds which are managed by SEI Private Trust Company (“SEI”), which is owned by Wells Fargo, the trustee and custodian of the Plan, and therefore, these transactions qualify as party-in-interest transactions. Fees paid by the Plan to SEI for investments and administrative services were approximately \$57,000 for the year ended December 31, 2018.

NOTE 6 – TAX STATUS

The Plan adopted a volume submitter profit sharing plan with CODA sponsored by Wells Fargo Bank, N.A. that received a favorable opinion letter from the Internal Revenue Service (“IRS”) on March 31, 2014, which stated that the Plan and related trust, as then designed, are in accordance with applicable sections of the IRC.

U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

NOTE 7 – PLAN TERMINATION

Although it has not expressed any intent to do so, the Plan Sponsor 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 the Plan’s termination, participants will become 100% vested in their accounts.

NOTE 8 - PROHIBITED TRANSACTIONS

During 2018 and certain prior years, participant contributions (inclusive of notes receivable payments), totaling approximately \$72,000 were not remitted timely to the Plan. The DOL requires that participant contributions be remitted to the Plan on the earliest date on which they can be reasonably segregated from the Company’s general assets. Failure to remit participant contributions to the Plan in a timely manner results in a prohibited transaction which must be separately reported to the DOL and may result in penalties to the Plan Sponsor. The Plan Sponsor intends to correct these prohibited transactions in accordance with DOL guidelines. The accompanying Schedule of Delinquent Participant Contributions presents the prohibited transactions of the Plan.

CHAMPION MOTORS 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 9 - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements as of December 31, 2018 and 2017 to the Form 5500:

	2018	2017
Net assets available for benefits per the financial statements	\$ 4,266,977	\$ 4,612,981
Employer contributions receivable	<u>(31,889)</u>	<u>(31,058)</u>
Net Assets Available for Benefits per the Form 5500	<u>\$ 4,235,088</u>	<u>\$ 4,581,923</u>

The following is a reconciliation of contributions per the financial statements for the year ended December 31, 2018 to the Form 5500:

Contributions per the financial statements	\$ 376,741
Employer contributions receivable	(31,889)
Reverse prior year employer contributions receivable	<u>31,058</u>
Total Contributions per the Form 5500	<u>\$ 375,910</u>

The following is a reconciliation of net decrease per the financial statements for the year ended December 31, 2018 to the Form 5500:

Net decrease per the financial statements	\$ (346,004)
Employer contributions receivable	(31,889)
Reverse prior year employer contributions receivable	<u>31,058</u>
Net Decrease per the Form 5500	<u>\$ (346,835)</u>

CHAMPION MOTORS 401(k) PLAN

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

DECEMBER 31, 2018

EIN: 59-2844647

PLAN 001

(a)	Identity of Issuer, Borrower, Lessor or Similar Party (b)	Description of Investment including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value (c)	Cost (d)	Current Value (e)
	Mutual Funds			
	Calvert	Calvert Equity Fund Class A	**	\$ 585,121
*	SEI	SEI S&P 500 Index I (SIMT)	**	536,281
*	SEI	Wells Fargo Govt MMkt I	**	500,499
*	SEI	SEI Large Cap Value I (SIMT)	**	437,475
	Aberdeen	Aberdeen Select International Equity A	**	294,114
*	SEI	SEI Mid-Cap F (SIMT)	**	277,095
*	SEI	SEI GNMA Bond F	**	243,333
	Hotchkis & Wiley	Hotchkis & Wiley Mid-Cap Value A	**	210,557
*	SEI	SEI Small Cap Growth I (SIMT)	**	203,602
	Eagle	Carillon Eagle Mid Cap Growth Fund A	**	186,139
	American Beacon	American Beacon Small Cap Value/Advisor	**	183,171
*	SEI	SEI Emerging Markets Equity F (SIT)	**	161,023
*	SEI	SEI Core Fixed Income I (SIMT)	**	149,992
*	SEI	SEI Emerging Markets Debt F (SIT)	**	88,903
*	SEI	SEI Large Cap Growth I (SIMT)	**	24,943
*	SEI	SEI Aggressive Strategy I (SAAT)	**	15,943
*	SEI	SEI International Equity I (SIT)	**	7,923
*	SEI	SEI Small Cap Value I (SIMT)	**	<u>2,721</u>
	Total Investments			4,108,837
*	Notes receivable from participants	3.25-5.50%, maturity dates through 2028	\$ --	<u>126,251</u>
	Total			<u><u>\$ 4,235,088</u></u>

* Represents a party-in-interest.

** Cost information not required for participant directed investments.

See independent auditors' report.

CHAMPION MOTORS 401(k) PLAN

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

FOR THE YEAR ENDED DECEMBER 31, 2018

EIN: 59-2844647

PLAN 001

Plan Year	Participant Contributions Transferred Late to Plan	Check Here if Late Participant Loan Repayments are included:	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
			Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
2018	\$ 8,666	X	\$ 8,666	\$ --	\$ --	\$ --
2017	\$ 10,811	X	\$ 10,811	\$ --	\$ --	\$ --
2016	\$ 30,721	X	\$ 30,721	\$ --	\$ --	\$ --
2014	\$ 4,329	X	\$ 4,329	\$ --	\$ --	\$ --
2013	\$ 11,230	X	\$ 11,230	\$ --	\$ --	\$ --
2011	\$ 5,325	X	\$ 5,325	\$ --	\$ --	\$ --

See independent auditors' report.

September 11, 2019

To the Board of Trustees and Plan Administrator
Champion Motors 401(k) Plan

Re: Required Communications between Marcum and Those Charged With Governance

In accordance with auditing standards generally accepted in the United States of America (“GAAS”), Marcum LLP (“Marcum” or the “Firm”), as auditors of Champion Motors 401(k) Plan (the “Plan”), is required to determine that certain matters related to the conduct of our audit are communicated to the body or individuals (including management) charged with governance (hereafter referred to as the “Those Charged with Governance”). GAAS requires the auditor to ensure that Those Charged with Governance receive additional information regarding the scope and results of the audit that may assist them in overseeing the financial reporting and disclosure process, for which management is responsible.

1. The Auditor’s Responsibility under U.S. Generally Accepted Auditing Standards

Marcum is responsible to communicate the auditor’s responsibilities under GAAS.

As stated in our engagement letter dated May 28, 2019 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, we completed a limited-scope audit and the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Wells Fargo Bank, N.A., the trustee of the Plan, except for comparing such information with the related information included in the accompanying financial statements and the supplemental schedule of assets (held at end of year). We have been informed by the Plan administrator that the trustee holds the Plan’s investment assets and executes investment transactions. The Plan administrator has obtained a certification from the trustee as of December 31, 2018 and 2017 and for the year ended 2018, that the information provided to the Plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedules taken as a whole. 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.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Plan solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

2. Other Information in Documents Containing Audited Financial Statements

Those Charged With Governance should be informed as to the auditor's responsibility for other information in documents containing audited financial statements, as well as any procedures performed and the results.

Our responsibility does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate any other information in documents containing our audit report. However, we are required to read the other information included in the Plan's Form 5500 as prescribed by AU-C 720, "Other Information in Documents Containing Audited Financial Statements," and to conclude whether there is any material inconsistency or material misstatement with the information presented in the Plan's financial statements. With respect to our audit of the Plan's financial statements, we are aware of no such material inconsistencies or material misstatements included in the other information contained in the documents with the audited financial statements.

3. Planned Scope and Timing of the Audit

The auditor should communicate an overview of the planned scope and timing of the audit. This communication may assist Those Charged With Governance in better understanding the consequences of the auditor's work for their oversight activities, discussing with the auditor issues of risk and materiality, and identifying any areas in which they may request the auditor to undertake additional procedures. Such communication may also assist the auditor in better understanding the Plan and its environment. Nevertheless, the auditor maintains sole responsibility to determine the overall audit strategy and the audit plan, including the nature, timing and extent of procedures necessary to obtain sufficient appropriate audit evidence.

We conducted our audit consistent with the planned scope and timing we previously communicated to you. We would be pleased to meet with you to further discuss any of the following matters at your request:

- The allocation of responsibilities between Those Charged With Governance and management.*
- The Plan's objectives and strategies, and the related business risks that may result in material misstatements.*
- Matters you have identified that warrant particular attention during the audit, and any areas where you request additional procedures to be undertaken.*
- Significant communications with regulators.*
- Other matters you believe are relevant to the audit of the financial statements.*
- The attitudes, awareness, and actions of Those Charged With Governance concerning (a) the Plan's internal control and its importance in the Plan, including how Those Charged With Governance oversee the effectiveness of internal control and (b) the detection or the possibility of fraud.*
- The actions of Those Charged With Governance in response to developments in financial reporting, laws, accounting standards, corporate governance practices, and other related matters.*
- The actions of Those Charged With Governance in response to previous communications with the auditor.*

4. Qualitative Aspects of the Plan's Significant Accounting Policies

The auditor should discuss the auditor's judgments about the quality, not just the acceptability, of the Plan's accounting principles as applied in its financial reporting, including the ramifications of alternative methods. The auditor should also discuss the initial selection of, and changes in, significant accounting policies, including the application of new accounting pronouncements. The discussion should be open and frank and generally should include such matters as consistency of the Plan's accounting policies and their application, and the clarity and completeness of the Plan's financial statements, which include related disclosures. The discussion should include items that have a significant impact on the representational faithfulness, verifiability and neutrality of the accounting information included in the financial statements. Particular emphasis should be placed on those policies and principles that are deemed critical. Critical accounting policies are those that are the most important to the portrayal of the Plan's financial condition and results and require management's most difficult, subjective or complex judgments.

There are no specific matters that we believe should be communicated to you. However, we would be pleased to meet with you at your convenience to discuss your significant accounting policies. Since the primary responsibility for establishing the Plan's accounting principles rests with management, such a discussion should generally include the Plan's management as a participant.

5. Management Judgments and Significant Accounting Estimates

Those Charged With Governance should be informed about the process used by management in formulating particularly sensitive accounting estimates and about the basis for the auditor's conclusions regarding the reasonableness of those estimates. Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

There were no significant estimates identified.

6. Financial Statement Disclosures

Those Charged With Governance should be informed about sensitive or otherwise significant financial statement disclosures. GAAP mandates many specific disclosures, and also requires that a complete set of financial statements include all other disclosure necessary to assure the financial statements are not misleading. The determination of appropriate disclosure requires significant judgment by management.

The most sensitive disclosures affecting the Plan's financial statement were described in Note 4 (Fair Value Measurements) to the financial statements.

The financial statement disclosures are neutral, consistent and clear.

7. Significant Difficulties Encountered During the Audit

Serious difficulties encountered in dealing with management that related to the performance of the audit are required to be brought to the attention of Those Charged With Governance.

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

8. Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Those Charged With Governance should be informed that all audit adjustments which have been recorded in the books and records have been reviewed and approved by management and have been reflected properly in the financial statements and footnotes. Those Charged With Governance

should also be informed about uncorrected misstatements that management determined were not material to the financial statements, either individually or in the aggregate, to the financial statements taken as a whole. All corrected or uncorrected adjustments that either individually or in the aggregate appear to indicate a weakness in the financial reporting process or may indicate the potential for fraud should be discussed.

Below are noted audit adjustments, which have been recorded in the books and records, have been reviewed and approved by management and reflected properly in the financial statements and footnotes. None of these adjustments appear to indicate a weakness in financial reporting. There were no uncorrected misstatements.

To record 2018 employer contributions receivable and reverse prior year related accruals:

	<u>Debit</u>	<u>Credit</u>
Employer contributions receivable	\$31,889	
Employer contributions		\$31,889
Employer contributions receivable		\$31,058
Employer contributions	\$31,058	

9. Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, which could be significant to the Plan's financial statements or the auditor's report. However, a disagreement does not include a difference of opinion based on incomplete facts or preliminary information that is later resolved.

There were no such disagreements.

10. Management Consultations with Other Accountants

When the auditor is aware that management has consulted with other accountants about significant accounting or auditing matters, the auditor's views about the subject of the consultation should be communicated to Those Charged With Governance.

To our knowledge, no such consultations were made by management.

11. Other Matters

With respect to the supplementary information accompanying the financial statements, the auditor is required to read the supplementary information and note if there were any material inconsistencies with the accompanying audited financial statements, and whether the method of preparing it has changed from the prior period.

We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves and no discrepancies were noted.

12. Fraud or violations of Laws and Regulations

Those Charged With Governance should be adequately informed of fraud or violations of laws and regulations coming to the auditor's attention during the course of the audit.

There were no fraud or violations of laws and regulations that came to our attention during the course of our audit.

13. Communicating Internal Control Related Matters

Any significant deficiencies or material weaknesses related to the design of controls or implementation of controls coming to the auditor's attention during the audit should be communicated to Those Charged With Governance.

Our consideration of internal control was for the limited purpose described in item # 1 above and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the following in the Plan's internal control to be material weaknesses:

Material Weakness 1 – Financial Reporting and Close Process

Plan management has not implemented a financial reporting and close process over the Plan and relies solely on the third party administrator to perform this process. Plan management does not perform reconciliations of Plan information on a routine basis, related to

participant contributions, distributions and investment activity. In addition, Plan management does not review participant deferrals to ensure that the correct amount is withheld from their weekly payroll and properly remitted to their participant account pursuant to their investment election.

We recommend that Plan management reconcile total contributions withheld from payroll on a monthly or quarterly basis and ensure the amount was properly remitted to the Plan. In addition, Plan management should implement a process to routinely reconcile participant's deferral elections, the amount withheld from the participant's weekly payroll and the amount remitted to the participants' account to ensure the third party administrator is properly allocating the participant's contribution to the Plan. Plan management should also review monthly benefit payments to ensure proper withholding and authorization of all distributions. Additionally, investment activity and performance should be reviewed and reconciled to underlying documentation for reasonableness.

Following are some examples of how this can be achieved:

- Reconcile the contribution (employee, employer match, and employer profit sharing) information provided by the third party administrator/recordkeeper with the internally prepared documentation. This should be done on a quarterly or semiannual basis and at a minimum, annually.*
- Review the information that the third party administrator/recordkeeper provides for accuracy, completeness and reasonableness.*
- Review the annual third-party SOC 1 Type II (service auditors) report for Wells Fargo Bank, N.A. to identify deficiencies in internal controls. All deficiencies identified in the report should be addressed by management.*

Material Weakness 2 - Failure to remit participant contributions to The Department of Labor in a timely manner

For the year ended December 31, 2018 and certain prior years, the Plan Sponsor did not timely remit participant contributions for certain payroll periods to the Plan. The Department of Labor (DOL) requires that participant contributions be remitted to the Plan on the earliest date on which they can reasonably segregate from the Company's general assets. Failure to remit participant contributions to the plan in a timely manner results in a prohibited transaction that must be separately reported to the DOL and may result in penalties to the Plan Sponsor.

A Form 5330 should be filed with the IRS to remit excise taxes due on the contributions that were not remitted timely, and lost earnings must be remitted to the Plan and allocated to participants.

14. Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Plan's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

During 2018, we identified the following matters that did not rise to the level of a material weakness or significant deficiency, but warrants communication with management:

Institution of a 401(k) Investment Committee

Marcum noted that the Plan does not currently have a 401(k) investment committee. Marcum recommends that the Plan establish an investment committee which could be comprised of employee and non-employee directors, as well as the investment advisor, to assist in reviewing investment policies, strategies and transactions. The committee should have regular meetings (with minutes documented) to discuss the Plan's investments.

Additionally, we noted that the trustees do periodically meet with its investment advisors. These meetings as well should be documented within the minutes.

ERISA imposes a fiduciary responsibility requiring a plan, among other things, to manage plan assets solely in the interest of participants and beneficiaries and diversify investments to minimize the risk of large losses. If the plan's fiduciary is determined not to have fulfilled his or her responsibility, the participants would have to be "made whole." This would likely represent costly cash deposits from the plan sponsor and possibly even jeopardize the plan's tax qualification status or lead to penalties, or both.

Communication to Employees

All employees are informed of the existence of the 401(k) Plan during their initial hire orientation, and informed again once they become eligible. However, there is no signed decline form for participants who decide not to participate. Marcum recommends that the Plan establish procedures such that upon initial eligibility for participation, those employees who elect not to enroll in the Plan should complete a negative enrollment form to be kept in their personnel file.

15. Independence

In order to issue an auditor's report, Marcum must be independent from the Plan in accordance with professional standards. The auditor may choose to communicate circumstances or relationships, such as financial interests, business or family relationships or nonaudit services provided or expected to be provided, that in the auditor's judgment may

reasonably be thought to bear on independence, and that the auditor gave significant consideration to in reaching the conclusion that independence has not been impaired.

There are no matters identified that impair our independence.

This report is intended solely for the information and use of the Board of Trustees, plan administrator and management of the Plan and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in cursive script that reads "Marcum LLP".

Marcum LLP

CHAMPION MOTORS 401(k) PLAN
FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES
FOR THE YEAR ENDED DECEMBER 31, 2018

CHAMPION MOTORS 401(k) PLAN

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees and Plan Administrator
Champion Motors 401(k) Plan

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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.

Auditors' 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 ("DOL") Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA"), the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Wells Fargo Bank, N.A., the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule of assets (held at end of year). We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of December 31, 2018 and 2017 and for the year ended December 31, 2018, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

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

Other Matter

The supplemental schedules of assets (held at end of year) and delinquent participant contributions as of and for the year ended December 31, 2018 are required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA 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 of 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 DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Marcum LLP

Fort Lauderdale, FL
September 11, 2019

CHAMPION MOTORS 401(k) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 2018 AND 2017

	2018	2017
Assets		
Investments, at Fair Value	\$ 4,108,837	\$ 4,447,862
Notes Receivable from Participants	126,251	134,061
Employer Contributions Receivable	<u>31,889</u>	<u>31,058</u>
Total Assets	4,266,977	4,612,981
Liabilities	<u>--</u>	<u>--</u>
Net Assets Available for Benefits	<u>\$ 4,266,977</u>	<u>\$ 4,612,981</u>

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

CHAMPION MOTORS 401(k) PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEAR ENDED DECEMBER 31, 2018

Additions to Net Assets

Investment Income (Loss)

Net depreciation in fair value of investments	\$ (338,115)
Dividends	<u>47,722</u>

Net Investment Loss \$ (290,393)

Interest Income on Notes Receivable from Participants

5,463

Contributions

Participant	331,967
Rollover	12,885
Employer	<u>31,889</u>

Total Contributions 376,741

Total Additions 91,811

Deductions from Net Assets

Benefits paid to participants	380,692
Administrative expenses	<u>57,123</u>

Total Deductions 437,815

Net Decrease (346,004)

Net Assets Available for Benefits - Beginning 4,612,981

Net Assets Available for Benefits - Ending \$ 4,266,977

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

CHAMPION MOTORS 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 1 - DESCRIPTION OF THE PLAN

The following description of the Champion Motors 401(k) Plan (the “Plan”) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan’s provisions. Copies of this document are available from the plan administrator.

GENERAL

The Plan is a defined contribution savings plan under Section 401(k) of the Internal Revenue Code (“IRC”), which covers all eligible employees of Copans Motors, Inc. d/b/a Champion Motors (the “Company” or “Plan Sponsor”) who have one year of consecutive service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). The Plan was established on August 1, 1999.

The Board of Trustees and plan administrator are responsible for oversight of the Plan and determine the appropriateness of the Plan’s investment offerings and monitors investment performance.

CONTRIBUTIONS

Participants may contribute on a pre-tax basis, through payroll deductions, up to the maximum percentage allowable not to exceed annual limits established in the IRC (\$18,500 in 2018). Participants age fifty and over are permitted to make “catch-up” 401(k) salary deferral contributions to the Plan, not to exceed annual limits established by the IRC (\$6,000 in 2018). Participants might also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans (“Rollovers”). The Company may make discretionary matching contributions to the Plan. For the year ended December 31, 2018, the Company made a discretionary matching contribution of approximately \$32,000, or approximately 10% of participant contributions at year-end.

Participants direct the investment of their contributions into various investment options offered by the Plan.

PARTICIPANT ACCOUNTS

Each participant’s account is credited with the participant’s contribution, the Company’s discretionary matching contributions, any Rollovers into the Plan and Plan earnings or losses. Each participant’s account is reduced by any withdrawals or distributions and an allocation of administrative fees paid by the Plan. Allocations are based on participant earnings (losses) or account balances, as defined by the Plan document. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account balance.

CHAMPION MOTORS 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 1 - DESCRIPTION OF THE PLAN (CONTINUED)

VESTING

Participants are immediately 100% vested in their individual contributions and Rollovers to the Plan and earnings thereon. Company discretionary matching contributions and earnings thereon vest in accordance with the following schedule:

Years of Service	Vesting Percentage
Less than 2 years	0%
2 years	20%
3 years	40%
4 years	60%
5 years	80%
6 years	100%

The Plan provides for 100% vesting of Company discretionary matching contributions and earnings thereon upon death, disability or attainment of normal retirement age of 65.

NOTES RECEIVABLE FROM PARTICIPANTS

The Plan allows participants to borrow against their vested balances (minimum loan of \$1,000). The interest rate charged is based on local prevailing interest rates under terms established by the Plan. The maximum amount available for loans is the lesser of 50% of the participant's vested account balance or \$50,000, reduced by the highest outstanding loan balance during the prior 12-month period. Loan repayment periods are for a maximum of five years unless the loan is for the purchase of a primary residence, in which case a reasonable repayment period is determined at the time of the loan. Loans are secured by the participant's account balance and evidenced by a declaration agreement. Loan repayments are made through payroll deductions. As of December 31, 2018, the interest rates on outstanding notes receivable from participants ranged from 3.25-5.50%.

If any scheduled loan repayment is not made by the end of the calendar quarter following the calendar quarter that the missed payment was due, the loan is considered to be in default. During the year ended December 31, 2018 approximately \$3,000 in defaulted loans were recorded as benefits paid to participants in the accompanying Statement of Changes in Net Assets Available for Benefits.

CHAMPION MOTORS 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 1 - DESCRIPTION OF THE PLAN (CONTINUED)

PAYMENT OF BENEFITS

Upon termination of employment, death, disability or retirement, a participant or the named beneficiary may receive a lump sum amount equal to the participant's vested interest in the account. Withdrawals under the Plan are allowed for hardship as defined in the IRC or the attainment of age 59-1/2.

HARDSHIP WITHDRAWALS

A participant who is experiencing a financial hardship, as defined in the Plan document, may request a withdrawal of all or any portion of such participant's salary deferral contributions, excluding earnings, and Rollovers, if any. For the year ended December 31, 2018, hardship withdrawals amounted to approximately \$4,000, which are included in benefits paid to participants in the accompanying Statement of Changes in Net Assets Available for Benefits.

FORFEITED ACCOUNTS

Forfeitures are those amounts of the Company's discretionary matching contribution in which a participant is not fully vested at the time of termination. Forfeited balances may be used to pay administrative expenses of the Plan or offset Company discretionary matching contributions. There were no forfeitures used to pay administrative expenses during the year ended December 31, 2018. As of December 31, 2018 and 2017, the forfeiture balances were approximately \$5,000 and \$1,000, respectively.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

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

CHAMPION MOTORS 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

USE OF ESTIMATES

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

INVESTMENTS VALUATION AND INCOME RECOGNITION

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between participants at the measurement date. The Board of Trustees and the plan administrator determine the Plan's valuation policies utilizing information provided by the investment advisers and trustee. See Note 4 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 (depreciation) includes the Plan's gains and losses on investments bought and sold as well as investments held during the year. All gains and losses are reported in the accompanying Statement of Changes in Net Assets Available for Benefits.

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 as incurred. Delinquent loans are treated as distributions based upon the terms of the Plan document. No allowance for credit losses has been recorded as of December 31, 2018 or 2017.

BENEFITS PAID TO PARTICIPANTS

Benefits are recorded when paid.

CHAMPION MOTORS 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

PLAN EXPENSES

Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Fees paid to third parties for services provided to and on behalf of the Plan and fees related to the administration of notes receivable from participants are charged directly to the participants account and are included in administrative expenses. Investment related expenses are included in net appreciation (depreciation) of fair value of investments.

RISKS AND UNCERTAINTIES

The Plan provides for various investment options in various investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the accompanying Statements of Net Assets Available for Benefits. The Board of Trustees and the plan administrator, through the Plan's investment advisor, monitors the Plans' investments and the risks associated therewith on a regular basis, which the plan administrator believes minimizes these risks.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENT

In August 2018, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2018-13, Fair Value Measurement (Topic 820) Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement, which modifies the disclosure requirements on fair value measurements under ASC Topic No. 820, Fair Value Measurements and Disclosures, as amended. For nonpublic companies, ASU 2018-13, removes (a) the prior requirement to disclose the amount and reason for transfers between Level 1 and Level 2 of the fair value hierarchy, (b) the policy for timing of transfers between levels, (c) the valuation process used for Level 3 fair value measurements, and (d) the requirement to disclose changes in unrealized gains and losses for the period included in earnings for recurring Level 3 fair value measurements. For nonpublic companies, ASU 2018-13 also adds, among other things, a requirement to disclose transfers into and out of Level 3 of the fair value hierarchy, and purchases and issuances of Level 3 assets and liabilities, rather than reconcile the opening balances to the closing balances of recurring Level 3 fair value measurements. The amendment is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. Early adoption was permitted upon issuance of ASU 2018-13. The Plan has not adopted ASU 2018-13 and, based on its preliminary assessment, does not believe the adoption will have a significant impact on its financial statements.

CHAMPION MOTORS 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

SUBSEQUENT EVENTS

The Plan has evaluated subsequent events through September 11, 2019, the date the financial statements were available to be issued.

NOTE 3 – INFORMATION PREPARED AND CERTIFIED BY PLAN TRUSTEE

The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's ("DOL") Rules and Regulations for Reporting and Disclosure under ERISA. Certain information related to investments and notes receivable from participants disclosed in the accompanying financial statements and supplemental schedule of assets (held at end of year), including investments and notes receivable from participants held at December 31, 2018 and 2017, and net appreciation (depreciation) in fair value of investments, interest and dividends for the year ended December 31, 2018, was obtained or derived from information supplied to the plan administrator and certified as complete and accurate by Wells Fargo Bank, N.A. (the trustee of the Plan).

NOTE 4 - FAIR VALUE MEASUREMENTS

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

CHAMPION MOTORS 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 4 - FAIR VALUE MEASUREMENTS (CONTINUED)

Level 2 (continued)

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

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

Mutual Funds

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

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2018 and 2017:

	Assets at Fair Value as of December 31, 2018			
	Level 1	Level 2	Level 3	Total
Mutual Funds	\$ 4,108,837	\$ --	\$ --	\$ 4,108,837
Total Assets at Fair Value	<u>\$ 4,108,837</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 4,108,837</u>

	Assets at Fair Value as of December 31, 2017			
	Level 1	Level 2	Level 3	Total
Mutual Funds	\$ 4,447,862	\$ --	\$ --	\$ 4,447,862
Total Assets at Fair Value	<u>\$ 4,447,862</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 4,447,862</u>

CHAMPION MOTORS 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 5 – PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments are shares of mutual funds which are managed by SEI Private Trust Company (“SEI”), which is owned by Wells Fargo, the trustee and custodian of the Plan, and therefore, these transactions qualify as party-in-interest transactions. Fees paid by the Plan to SEI for investments and administrative services were approximately \$57,000 for the year ended December 31, 2018.

NOTE 6 – TAX STATUS

The Plan adopted a volume submitter profit sharing plan with CODA sponsored by Wells Fargo Bank, N.A. that received a favorable opinion letter from the Internal Revenue Service (“IRS”) on March 31, 2014, which stated that the Plan and related trust, as then designed, are in accordance with applicable sections of the IRC.

U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

NOTE 7 – PLAN TERMINATION

Although it has not expressed any intent to do so, the Plan Sponsor 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 the Plan’s termination, participants will become 100% vested in their accounts.

NOTE 8 - PROHIBITED TRANSACTIONS

During 2018 and certain prior years, participant contributions (inclusive of notes receivable payments), totaling approximately \$72,000 were not remitted timely to the Plan. The DOL requires that participant contributions be remitted to the Plan on the earliest date on which they can be reasonably segregated from the Company’s general assets. Failure to remit participant contributions to the Plan in a timely manner results in a prohibited transaction which must be separately reported to the DOL and may result in penalties to the Plan Sponsor. The Plan Sponsor intends to correct these prohibited transactions in accordance with DOL guidelines. The accompanying Schedule of Delinquent Participant Contributions presents the prohibited transactions of the Plan.

CHAMPION MOTORS 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 9 - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements as of December 31, 2018 and 2017 to the Form 5500:

	2018	2017
Net assets available for benefits per the financial statements	\$ 4,266,977	\$ 4,612,981
Employer contributions receivable	<u>(31,889)</u>	<u>(31,058)</u>
Net Assets Available for Benefits per the Form 5500	<u>\$ 4,235,088</u>	<u>\$ 4,581,923</u>

The following is a reconciliation of contributions per the financial statements for the year ended December 31, 2018 to the Form 5500:

Contributions per the financial statements	\$ 376,741
Employer contributions receivable	(31,889)
Reverse prior year employer contributions receivable	<u>31,058</u>
Total Contributions per the Form 5500	<u>\$ 375,910</u>

The following is a reconciliation of net decrease per the financial statements for the year ended December 31, 2018 to the Form 5500:

Net decrease per the financial statements	\$ (346,004)
Employer contributions receivable	(31,889)
Reverse prior year employer contributions receivable	<u>31,058</u>
Net Decrease per the Form 5500	<u>\$ (346,835)</u>

CHAMPION MOTORS 401(k) PLAN

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

DECEMBER 31, 2018

EIN: 59-2844647

PLAN 001

(a)	Identity of Issuer, Borrower, Lessor or Similar Party (b)	Description of Investment including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value (c)	Cost (d)	Current Value (e)
	Mutual Funds			
	Calvert	Calvert Equity Fund Class A	**	\$ 585,121
*	SEI	SEI S&P 500 Index I (SIMT)	**	536,281
*	SEI	Wells Fargo Govt MMkt I	**	500,499
*	SEI	SEI Large Cap Value I (SIMT)	**	437,475
	Aberdeen	Aberdeen Select International Equity A	**	294,114
*	SEI	SEI Mid-Cap F (SIMT)	**	277,095
*	SEI	SEI GNMA Bond F	**	243,333
	Hotchkis & Wiley	Hotchkis & Wiley Mid-Cap Value A	**	210,557
*	SEI	SEI Small Cap Growth I (SIMT)	**	203,602
	Eagle	Carillon Eagle Mid Cap Growth Fund A	**	186,139
	American Beacon	American Beacon Small Cap Value/Advisor	**	183,171
*	SEI	SEI Emerging Markets Equity F (SIT)	**	161,023
*	SEI	SEI Core Fixed Income I (SIMT)	**	149,992
*	SEI	SEI Emerging Markets Debt F (SIT)	**	88,903
*	SEI	SEI Large Cap Growth I (SIMT)	**	24,943
*	SEI	SEI Aggressive Strategy I (SAAT)	**	15,943
*	SEI	SEI International Equity I (SIT)	**	7,923
*	SEI	SEI Small Cap Value I (SIMT)	**	<u>2,721</u>
	Total Investments			4,108,837
*	Notes receivable from participants	3.25-5.50%, maturity dates through 2028	\$ --	<u>126,251</u>
	Total			<u><u>\$ 4,235,088</u></u>

* Represents a party-in-interest.

** Cost information not required for participant directed investments.

See independent auditors' report.

CHAMPION MOTORS 401(k) PLAN

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

FOR THE YEAR ENDED DECEMBER 31, 2018

EIN: 59-2844647

PLAN 001

Plan Year	Participant Contributions Transferred Late to Plan	Check Here if Late Participant Loan Repayments are included:	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
			Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
2018	\$ 8,666	X	\$ 8,666	\$ --	\$ --	\$ --
2017	\$ 10,811	X	\$ 10,811	\$ --	\$ --	\$ --
2016	\$ 30,721	X	\$ 30,721	\$ --	\$ --	\$ --
2014	\$ 4,329	X	\$ 4,329	\$ --	\$ --	\$ --
2013	\$ 11,230	X	\$ 11,230	\$ --	\$ --	\$ --
2011	\$ 5,325	X	\$ 5,325	\$ --	\$ --	\$ --

See independent auditors' report.