Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2018

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

A This return/report is for:
- [ ] a multiemployer plan
- [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- [X] a single-employer plan
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report
- [ ] the final return/report
- [ ] an amended return/report
- [ ] a short plan year return/report (less than 12 months)

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558
- [ ] automatic extension
- [ ] the DFVC program
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
WINDSET FARMS INC. 401(K) PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/2012

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)
WINDSET FARMS (CALIFORNIA) INC.

1650 BLACK RD
SANTA MARIA, CA 93458-9735

2b Employer Identification Number (EIN)
42-1771013

2c Plan Sponsor's telephone number
805-346-6144

2d Business code (see instructions)
111400

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.	09/27/2019	PATRICIA CUEVAS
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a	Plan administrator's name and address [X] Same as Plan Sponsor	**3b**	Administrator's EIN
		3c	Administrator's telephone number
4	If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report:	**4b**	EIN
a	Sponsor's name	**4d**	PN
c	Plan Name		

5	Total number of participants at the beginning of the plan year	**5**	89
6	Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**).		
a(1)	Total number of active participants at the beginning of the plan year	**6a(1)**	84
a(2)	Total number of active participants at the end of the plan year	**6a(2)**	102
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	4
d	Subtotal. Add lines **6a(2)**, **6b**, and **6c**	**6d**	106
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f	Total. Add lines **6d** and **6e**.	**6f**	106
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	57
h	Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	0
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

2E 2F 2G 2J 2T 3D 3H

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

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

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

a Pension Schedules

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

b General Schedules

- **(1)** [ ] **H** (Financial Information)
- **(2)** [X] **I** (Financial Information – Small Plan)
- **(3)** [ ] 0 **A** (Insurance Information)
- **(4)** [ ] **C** (Service Provider Information)
- **(5)** [X] **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 D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan 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
WINDSET FARMS INC. 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
WINDSET FARMS (CALIFORNIA) INC.

D Employer Identification Number (EIN)
42-1771013

Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)

(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: PRINCIPAL STABLE VALUE FUND

b Name of sponsor of entity listed in (a): PRINCIPAL GLOBAL INVESTORS TRUST CO

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
93-6274328-001	C	33474

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

SCHEDULE I (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information—Small Plan

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
WINDSET FARMS INC. 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
WINDSET FARMS (CALIFORNIA) INC.

D Employer Identification Number (EIN)
42-1771013

Complete Schedule I if the plan covered fewer than 100 participants as of the beginning of the plan year. You may also complete Schedule I if you are filing as a small plan under the 80-120 participant rule (see instructions). Complete Schedule H if reporting as a large plan or DFE.

Part I Small Plan Financial Information

Report below the current value of assets and liabilities, income, expenses, transfers and changes in net assets during the plan year. Combine the value of plan assets held in more than one trust. Do not enter the value of the portion of an insurance contract that guarantees during this plan year to pay a specific dollar benefit at a future date. 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.**

			(a) Beginning of Year	**(b)** End of Year
1	**Plan Assets and Liabilities:**			
a	Total plan assets	**1a**	2135124	2400276
b	Total plan liabilities	**1b**	0	0
c	Net plan assets (subtract line 1b from line 1a)	**1c**	2135124	2400276
2	**Income, Expenses, and Transfers for this Plan Year:**		**(a)** Amount	**(b)** Total
a	Contributions received or receivable:			
	(1) Employers	**2a(1)**	215586	
	(2) Participants	**2a(2)**	364398	
	(3) Others (including rollovers)	**2a(3)**	4871	
b	Noncash contributions	**2b**	0	
c	Other income	**2c**	-196231	
d	Total income (add lines 2a(1), 2a(2), 2a(3), 2b, and 2c)	**2d**		388624
e	Benefits paid (including direct rollovers)	**2e**	113203	
f	Corrective distributions (see instructions)	**2f**	0	
g	Certain deemed distributions of participant loans (see instructions)	**2g**	0	
h	Administrative service providers (salaries, fees, and commissions)	**2h**	10269	
i	Other expenses	**2i**	0	
j	Total expenses (add lines 2e, 2f, 2g, 2h, and 2i)	**2j**		123472
k	Net income (loss) (subtract line 2j from line 2d)	**2k**		265152
l	Transfers to (from) the plan (see instructions)	**2l**		0

3 **Specific Assets:** If the plan held assets at any time during the plan year in any of the following categories, check "Yes" and enter the current value of any assets remaining in the plan as of the end of the plan year. Allocate the value of the plan's interest in a commingled trust containing the assets of more than one plan on a line-by-line basis unless the trust meets one of the specific exceptions described in the instructions.

			Yes	**No**	**Amount**
a	Partnership/joint venture interests	**3a**		X	
b	Employer real property	**3b**		X	
c	Real estate (other than employer real property)	**3c**		X	
d	Employer securities	**3d**		X	
e	Participant loans	**3e**	X		164012
f	Loans (other than to participants)	**3f**		X	
g	Tangible personal property	**3g**		X	

Part II Compliance Questions

4 During the plan year:		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	0
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of plan year or classified during the year as uncollectible? Disregard participant loans secured by the participant's account balance.	4b		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible?	4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a.)	4d		X	
e Was the plan covered by a fidelity bond?	4e	X		300000
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 at any time hold 20% or more of its assets in any single security, debt, mortgage, parcel of real estate, or partnership/joint venture interest?	4i		X	
j Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4j		X	
k Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? If "No," attach an IQPA's report or 2520.104-50 statement. (See instructions on waiver eligibility and conditions.)	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	X		

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No

If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

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

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

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ..... ☐ Yes ☐ No ☐ Not determined.

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year_____. (See instructions.)

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

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

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

OMB No. 1210-0110

2018

This Form is Open to Public Inspection.

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

A Name of plan
WINDSET FARMS INC. 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
WINDSET FARMS (CALIFORNIA) INC.

D Employer Identification Number (EIN)
42-1771013

Part I Distributions

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

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

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

EIN(s): 04-6568107

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

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

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

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

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

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

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

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

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

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

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

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

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

Part III Amendments

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

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

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

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

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

TRAVELERS

ERISA FIDELITY COVERAGE

WITH INFLATION GUARD FOR EMPLOYEE BENEFIT PLANS

DECLARATIONS

POLICY NO. **107019459**

Travelers Casualty and Surety Company of America
Hartford, Connecticut
(A Stock Insurance Company, herein called the Company)

ITEM 1	Name and Address of the entity sponsoring the Insured Plan(s): **WINDSET FARMS (CALIFORNIA) INC.** **1650 BLACK ROAD** **SANTA MARIA, CA 93458**
ITEM 2	Insured Plan(s): Any and all **Employee Benefit Plans** that are sponsored by any entity set forth in **ITEM 1** or its **Subsidiaries** and which are in existence or are hereinafter created or acquired by any such entity set forth in ITEM 1. or its **Subsidiaries** during the **Policy Period**.
ITEM 3	Policy Period: Effective from 12:01 a.m. on **December 11, 2018** to: (check one) ☐ 12:01 a.m. on ; or ☒ the effective date of the cancellation or termination of this **Policy.**
ITEM 4	Limit of Insurance: **$300,000.00** . (This amount is the summation of the Limits of Insurance for each **Insured** as of the **Policy** effective date and as more fully set forth in section III. LIMIT OF INSURANCE with Inflation Guard.)
ITEM 5	Deductible Amount: Not Applicable.
ITEM 6	Endorsements forming part of this **Policy** when issued: **EFP-18003 02-14, California Cancellation or Termination Endorsement** **EFP-19014 02-18, Amendatory Endorsement For Certain ERISA Considerations** **EFP-19007 02-14, Policy Premium Endorsement** **EFP-19005 02-14, Scheduled Insured Plans Endorsement**
ITEM 7	Cancellation of prior insurance: By acceptance of this **Policy**, the entity sponsoring the Insured Plans gives the Company notice canceling prior Policy or Bond Number issued by the Company. This cancellation is effective at the date and time this **Policy** becomes effective.
ITEM 8	**ALL NOTICES OF CLAIM OR LOSS MUST BE SENT TO THE COMPANY BY EMAIL, FACSIMILE, OR MAIL AS SET FORTH BELOW:** Email: BSIclaims@travelers.com FAX: 888.460.6622 Travelers Bond & Specialty Insurance Claim 385 Washington Street Mail Code 9275-NB03F St. Paul, MN 55102

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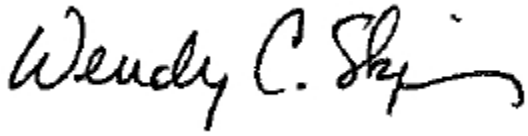
THE DECLARATIONS, THE APPLICATION, THE ERISA FIDELITY COVERAGE, AND ANY ENDORSEMENTS ATTACHED THERETO, CONSTITUTE THE ENTIRE AGREEMENT BETWEEN THE COMPANY AND THE ENTITY SPONSORING THE INSURED PLANS.

_____
Countersigned By

IN WITNESS WHEREOF, the Company has caused this policy to be signed by its authorized officers.



Executive Vice President



Corporate Secretary

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TRAVELERS

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I. CONSIDERATION CLAUSE

IN CONSIDERATION of the payment of the premium, and subject to the Declarations and pursuant to all the terms, conditions, exclusions and limitations of this **Policy**, and in compliance with certain provisions of **ERISA**, the Company will pay the **Insured** for direct loss that the **Insured** sustains which is directly caused by a **Single Loss** taking place before the effective date of cancellation or termination of the **Policy** and which is **Discovered** by the **Insured** during the **Policy Period** or during the Extended Period to Discover Loss pursuant to section **V. CONDITIONS, A. GENERAL CONDITIONS**, 1. Extended Period to Discover Loss.

II. INSURING AGREEMENT

The Company will pay the **Insured** for direct loss of, or direct loss from damage to, **Property** that belongs to the **Insured** directly caused through acts of **Fraud or Dishonesty** committed by a **Fiduciary**, whether identified or not, acting alone or in collusion with other persons.

III. LIMIT OF INSURANCE WITH INFLATION GUARD

The Limit of Insurance set forth in **ITEM 4** of the Declarations is the summation of the Limits of Insurance for each **Insured** as of the **Policy's** original effective date. The **Single Loss** Limit of Insurance applicable to each **Insured** is determined as of the date of **Discovery** of a **Single Loss** as follows:

1. the most the Company will pay to each **Insured** under this **Policy** for any **Single Loss** is an amount equal to 10% of the amount of the funds **Handled** by such **Insured** as of the **Policy** effective date, or $500,000, whichever amount is less, or

2. in the case of an **Insured** that holds employer securities (within the meaning of 29 United States Code Annotated Section 1112), this section will be applied by substituting "$1,000,000" for "$500,000" in the preceding paragraph.

In no event will the Limit of Insurance be less than $1,000.

Following the **Policy** effective date, the Company agrees to automatically increase, if necessary according to **ERISA**, the **Single Loss** Limit of Insurance for each **Insured** as of the beginning of the **Insured's** most recent fiscal year to an amount equal to the Limit of Insurance required by **ERISA**.

IV. DEFINITIONS

Wherever appearing in this **Policy**, the following words and phrases appearing in bold type have the meanings set forth in this section **IV. DEFINITIONS**:

A. ***Discover***, ***Discovered***, or ***Discovery*** means the moment when the entity sponsoring the Insured Plans or the **Insured**:

1. first becomes aware of facts that would cause a reasonable person to assume that a loss of a type covered by this **Policy** has been or will be incurred, regardless of when the act or acts causing or contributing to such loss occurred, even though the exact details of loss may not then be known; or

2. first receives notice of an actual or potential claim against the **Insured** alleging facts that, if true, would constitute a loss under this **Policy**.

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B. ***Employee Benefit Plan*** means an employee welfare benefit plan or an employee pension benefit plan as more fully set forth in Title 1, Section 3 of **ERISA**.

C. ***ERISA*** means the Employee Retirement Income Security Act of 1974, and any amendments thereto.

D. ***Fiduciary*** means any natural person who is a trustee, officer, employee, or administrator of any **Insured**.

Fiduciary does not mean any agent, broker, independent contractor, third-party administrator, broker-dealer, registered representative, investment advisor, custodian, or other person or entity of the same general character.

E. ***Fraud or Dishonesty*** has the meaning set forth in Title 29, Code of Federal Regulations, Section 2580.412-9.

F. ***Handled*** has the meaning set forth in Title 29, Code of Federal Regulations, Section 2580.412-6.

G. ***Insured*** means any Insured Plan set forth in **ITEM 2** of the Declarations.

H. ***Policy*** means, collectively, the Declarations, the application, the ERISA Fidelity Coverage, and any endorsements attached thereto.

I. ***Policy Period*** means the period from the Effective Date to the Expiration Date set forth in **ITEM 3** of the Declarations, if any. In no event will the **Policy Period** continue past the effective date of cancellation or termination of this **Policy**.

J. ***Property*** means "funds and other property" as this phrase is defined in Title 29, Code of Federal Regulations, Section 2580.412-4.

K. ***Single Loss*** means:

1. an individual act;

2. the combined total of all separate acts; or

3. a series of related acts,

committed by a **Fiduciary** or committed by more than one **Fiduciary** acting alone or in collusion with other persons during or before the **Policy Period**.

L. ***Subsidiary*** means:

1. any corporation, partnership, limited liability company or other entity organized under the laws of any jurisdiction in which, on or prior to the effective date of the **Policy Period**, the sponsoring entity set forth in **ITEM 1** of the Declarations owns, directly or indirectly, more than 50% of the outstanding securities or voting rights representing the right to vote for the election of or to appoint such organization's board of directors, board of trustees, board of managers, or a functional equivalent thereof, or to exercise a majority control of the board of directors, board of trustees, board of managers or a functional equivalent thereof; or

2. any organization that the sponsoring entity set forth in **ITEM 1** of the Declarations acquires or forms during the **Policy Period** and in which the sponsoring entity owns, directly or indirectly, more than 50% of the outstanding securities or voting rights representing the right to vote for the election of or to appoint such organization's board of directors, board of trustees, board of managers, or a functional equivalent thereof or to exercise a majority control of the board of directors, board of trustees, board of managers, or a functional equivalent thereof.

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V. EXCLUSIONS

A. This **Policy** does not cover any expenses incurred by the **Insured**:

1. in establishing the existence of or the amount of any loss covered under this **Policy**; or

2. as a party to or in preparation for any legal proceeding whether or not such legal proceeding exposes the **Insured** to loss covered by this **Policy**.

B. This **Policy** does not cover loss of income, whether or not earned or accrued, or potential income, including interest and dividends, not realized by the **Insured** as the result of any loss covered under this **Policy**.

C. This **Policy** does not cover damages of any type for which the **Insured** is legally liable, except direct compensatory damages, but not multiples thereof, resulting from a loss covered under this **Policy**.

D. This **Policy** does not cover indirect or consequential loss of any nature, including fines, penalties, or multiple or punitive damages.

E. This **Policy** does not cover loss resulting directly or indirectly from the diminution in value of **Property**.

F. This **Policy** does not cover loss caused directly or indirectly by any **Fiduciary** for whom this **Policy** has terminated pursuant to section **VI. CONDITIONS**, C. 4., provided, that this exclusion will not apply to loss of any **Property** already in transit in the custody of such **Fiduciary** at the time the **Policy** terminated or to loss resulting directly from dishonest or fraudulent acts occurring prior to the time the **Policy** terminated.

G. This Policy does not cover loss caused by:

1. The unauthorized access to, use of, or disclosure of confidential information including patents, trade secrets, processing methods, customer lists, or beneficiary lists.

2. The unauthorized access to, use of, or disclosure of confidential or personal information of any customer, **Fiduciary**, **Insured** beneficiary, or any other person or entity, including financial information, credit card information, or any other type of non-public information.

H. This **Policy** does not cover fees, costs, fines, penalties, and other expenses incurred by the **Insured** that are related to any unauthorized access to, use of, or disclosure of confidential or personal information of any customer, **Fiduciary**, **Insured** beneficiary, or any other person or entity, including financial information, credit card information, or any other type of non-public information.

VI. CONDITIONS

A. GENERAL CONDITIONS

1. Extended Period to Discover Loss

   The Company will pay the **Insured** for loss that the **Insured** sustained prior to the effective date of cancellation or termination of this **Policy**, which is **Discovered** by the **Insured** during the **Policy Period** or within one year after the date of cancellation or termination.

   Notwithstanding the above, this Extended Period to Discover Loss terminates immediately upon the effective date of any other insurance obtained by the entity sponsoring the Insured Plans or the **Insured** replacing in whole or in part the insurance afforded by this **Policy**.

2. Other Insurance

   This **Policy** applies only as excess insurance over, and will not contribute with: (1) any other valid

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and collectible insurance available to any **Insured** unless such insurance is written specifically excess of this **Policy** by reference in such other policy to the Policy Number of this **Policy**; and (2) indemnification to which any **Insured** is entitled from any other entity other than any **Insured**. As excess insurance, this **Policy** will not apply to or contribute to the payment of any loss to the **Insured** until the amount of such other insurance or indemnity has been exhausted by loss covered under such other insurance or indemnity. If the limit of the other insurance or indemnity is insufficient to cover the entire amount of the loss, this **Policy** will apply to that part of the loss not recoverable or recovered under the other insurance or indemnity. This **Policy** will not be subject to the terms of any other insurance.

Any loss to which this Condition A.2. applies is subject to the applicable **Single Loss** Limit of Insurance described in section **III. LIMIT OF INSURANCE WITH INFLATION GUARD**.

If this **Policy** replaces prior insurance that provided the **Insured** with an extended period of time after the termination or cancellation of such prior insurance in which to **Discover** loss, then, and only with respect to loss **Discovered** during such extended period but sustained prior to the termination of such prior insurance, the coverage afforded by this **Policy** applies as follows:

a. the Company will have no liability for such loss, unless the amount of such loss exceeds the limit of insurance of that prior insurance; provided, that in such case, the Company will pay the **Insured** for the excess of such loss subject to the terms and conditions of this **Policy**; and

b. any payment the Company makes to the **Insured** for such excess loss will not be greater than the difference between the limit of insurance of the **Insured's** prior insurance and the applicable **Single Loss** Limit of Insurance described in section **III. Limit of Insurance with Inflation Guard**.

3. Interests Covered

This **Policy** is for the **Insured's** benefit only and provides no rights or benefits to any other person or organization. Any claim for loss that is covered under this **Policy** must be presented by the **Insured**.

4. Representation, Concealment, Misrepresentation, or Fraud

No statement made by or on behalf of the entity sponsoring the Insured Plans shown in **ITEM 1** of the Declarations or the **Insured**, whether contained in the application, underwriting information, or otherwise, is deemed to be a warranty of anything except that it is true to the best of the knowledge and belief of the person making the statement.

This **Policy** will not provide coverage in any case of fraud by the entity sponsoring the Insured Plans or the **Insured** as it relates to this **Policy** at any time. This **Policy** also will not provide coverage if the entity sponsoring the Insured Plans or the **Insured**, at any time, intentionally conceals or misrepresents a material fact concerning:

a. this **Policy**;

b. the **Property**;

c. the entity sponsoring the Insured Plans' or the **Insured's** interest in the **Property**; or

d. a claim under this **Policy**.

5. Premiums

The sponsoring entity set forth in **ITEM 1** of the Declarations is responsible for the payment of all premiums and will be the payee for any return premiums the Company pays. Any payment the Company makes to the sponsoring entity for the return of unearned premiums will be held by the

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sponsoring entity for the use and benefit of the **Employee Benefit Plans**.

6. Transfer of Rights and Duties Under this Policy

Rights and duties under this **Policy** may not be transferred without the Company's written consent.

7. Loss payment under this Policy

Loss payments made under this **Policy** will be made to the **Insured**.

B. PROVISIONS AFFECTING LOSS ADJUSTMENT AND SETTLEMENT

1. The **Insured's** Duties in the Event of a Loss

After the entity sponsoring the Insured Plans or the **Insured Discovers** a loss or a situation that may result in loss of or loss from damage to **Property** the **Insured** must:

a. notify the Company as soon as possible;

b. submit to examination under oath at the Company's request and give the Company a signed statement of the **Insured's** answers;

c. give the Company a detailed, sworn proof of loss within 120 days; and

d. cooperate with the Company in the investigation and settlement of any claim.

2. Valuation/Settlement

The value of any **Property** will be determined by the market value of such **Property** on the date the loss was **Discovered**. If no market price is quoted for such **Property**, the value may be fixed by agreement between the parties or by voluntary arbitration. Any **Property** that the Company pays the **Insured** for or replaces becomes the Company's **Property**.

3. Records

The **Insured** must keep records of all **Property** insured under this **Policy** so the Company can verify the amount of any loss.

4. Recoveries

a. All recoveries for payments made under this **Policy** will be applied, after first deducting the costs and expenses incurred in obtaining such recovery, in the following order of priority:

(1) first, to the **Insured** to reimburse the **Insured** for loss sustained that would have been paid under this **Policy** but for the fact that it is in excess of the Limit of Insurance;

(2) second, to the Company in satisfaction of amounts paid or to be paid to the **Insured** in settlement of the **Insured's** covered claim;

(3) third, to the **Insured** in satisfaction of any loss not covered under this **Policy**.

b. The value of all property received by the **Insured** from any source whatsoever and whenever received, in connection with any matter from which a loss has arisen, will be valued as of the date received and will be deducted from the covered loss.

c. Recoveries do not include any recovery:

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(1) from insurance, suretyship, reinsurance, security, or indemnity taken for the Company's benefit; or

(2) of original securities after duplicates of them have been issued.

5. Transfer of the Insured's Rights of Recovery Against Others to the Company

The **Insured** must transfer to the Company all the **Insured's** rights of recovery against any person or organization for any loss the **Insured** sustained and for which the Company has paid or settled. The **Insured** must also do everything necessary to secure those rights and do nothing after loss to impair them.

6. Legal Action Against the Company

The entity sponsoring the Insured Plans or the **Insured** may not bring any legal action against the Company involving loss:

a. unless the **Insured** has complied with all the terms of this **Policy**;

b. until 90 days after the **Insured** has filed proof of loss with the Company; and

c. unless brought within two years from the date the **Insured Discovers** the loss.

If any period of limitation in this section **VI. CONDITIONS, B. PROVISIONS AFFECTING LOSS ADJUSTMENT AND SETTLEMENT**, 6. Legal Action Against the Company is deemed to be inconsistent with any applicable law, such limitation is amended so as to equal the minimum period of limitation provided by such law.

7. Liberalization

If the Company adopts any revision to the Terms and Conditions of this **Policy** that would broaden coverage and such revision does not require an additional premium or endorsement and the revision is adopted within 45 days prior to or during the **Policy Period**, the broadened coverage will apply to this **Policy** as of the date the revision is approved for general use by the applicable department of insurance.

C. CANCELLATION OR TERMINATION

1. The entity sponsoring the Insured Plans or the **Insured** may cancel this **Policy** in its entirety by mailing or delivering to the Company advance written notice of cancellation.

2. The Company may cancel this **Policy** in its entirety by mailing or delivering to the entity sponsoring the Insured Plans or the **Insured** written notice of cancellation at least 20 days before the effective date of cancellation if the Company cancels for nonpayment of premium; or 60 days before the effective date of cancellation if the Company cancels for any other reason.

The Company will mail or deliver notice to the last mailing address of the sponsoring company set forth in **ITEM 1** of the Declarations known to the Company. Notice of cancellation will state the effective date of cancellation and the **Policy Period** will end on that date. If this **Policy** is cancelled, the Company will send the sponsoring entity any premium refund due calculated on a pro-rata basis. The Company will have the right to the premium amount for the portion of the **Policy Period** during which this **Policy** was in effect. Cancellation will be effective even if the Company has not yet made or offered a refund. If notice is mailed, proof of mailing will be sufficient proof of notice.

3. This **Policy** terminates in its entirety immediately upon the expiration of the **Policy Period** set forth in **ITEM 3** of the Declarations.

4. This **Policy** terminates as to any **Fiduciary** as soon as any other individual with managerial or supervisory responsibility or any **Fiduciary** not in collusion with such **Fiduciary** of the entity

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sponsoring the Insured Plans or the **Insured** becomes aware of any dishonest or fraudulent act committed by such **Fiduciary**, whether before or after the effective date of this **Policy**.

D. CHANGES

Only the sponsoring entity set forth in **ITEM 1** of the Declarations or the **Insured** is authorized to make changes in the terms of this **Policy** and solely with the Company's prior written consent. This **Policy's** terms can be changed, amended or waived only by endorsement issued by the Company and made a part of this **Policy**. Notice to any representative of the entity sponsoring the Insured Plans or the **Insured** or knowledge possessed by any agent or by any other person will not effect a waiver or change to any part of this **Policy**, or estop the Company from asserting any right under the terms, conditions and limitations of this **Policy**.

E. ENTIRE AGREEMENT

This **Policy** constitutes the entire agreement between the **Insured** and the Company.

F. HEADINGS

The titles of the various paragraphs of this **Policy** and its endorsements are inserted solely for convenience or reference and are not to be deemed in any way to limit or affect the provision to which they relate.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SCHEDULED INSURED PLANS ENDORSEMENT

This endorsement changes the ERISA Fidelity Policy: Policy Number: **107019459**

Issued By: **Travelers Casualty and Surety Company of America**

Issued To: **WINDSET FARMS (CALIFORNIA) INC.**

Effective date: **December 11, 2018** 12:01 a.m.

Process date: **December 12, 2018**

It is agreed that:

The following replaces **ITEM 2** of the Declarations:

ITEM 2. Insured Plan(s): Any and all **Employee Benefit Plans** set forth in the SCHEDULE below and any **Employee Benefit Plans** that are sponsored by any entity set forth in **ITEM 1** or its **Subsidiaries** and which are in existence or are hereinafter created or acquired by any such entity set forth in **ITEM 1.** or its **Subsidiaries** during the **Policy Period**.

WINDSET FARMS, INC. 401(K) PLAN

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

POLICY PREMIUM ENDORSEMENT

This endorsement changes the ERISA Fidelity Policy: Policy Number: **107019459**

Issued By: **Travelers Casualty and Surety Company of America**

Issued To: **WINDSET FARMS (CALIFORNIA) INC.**

Effective date: **December 11, 2018** 12:01 a.m.

Process date: **December 12, 2018**

It is agreed that:

The following is added to the Declarations:

The premium charged for the period from **December 11, 2018** to **December 11, 2021** is **$362.00** .

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDATORY ENDORSEMENT FOR CERTAIN ERISA CONSIDERATIONS

This endorsement changes the ERISA Fidelity Policy: Policy Number: **107019459**

Issued By: **Travelers Casualty and Surety Company of America**

Issued To: **WINDSET FARMS (CALIFORNIA) INC.**

Effective date: **December 11, 2018** 12:01 a.m.

Process date: **December 12, 2018**

It is agreed that:

1. The following replaces section **III. LIMIT OF INSURANCE WITH INFLATION GUARD**:

   III. LIMIT OF INSURANCE WITH INFLATION GUARD

   The Limit of Insurance set forth in **ITEM 4** of the Declarations is the summation of the Limits of Insurance for each **Insured** as of the **Policy's** original effective date. The **Single Loss** Limit of Insurance applicable to each **Insured** is determined as of the date of **Discovery** of a **Single Loss** as follows:

   1. the most the Company will pay to each **Insured** under this **Policy** for any **Single Loss** is an amount equal to 10% of the amount of the funds **Handled** by a **Fiduciary,** in accordance with **ERISA**, as of the policy effective date or $500,000, whichever amount is less, or

   2. in the case of an **Insured** that holds employer securities (within the meaning of 29 United States Code Annotated Section 1112), this section will be applied by substituting "$1,000,000" for "$500,000" in the preceding paragraph.

   In no event will the Limit of Insurance for each **Insured** be less than $1,000 or less than the Limit of Insurance purchased for each **Insured**.

   Following the **Policy** effective date, the Company agrees to automatically increase the Single Loss Limit of Insurance for each **Insured** to an amount equal to the amount required by **ERISA** as of the date of **Discovery** of a **Single Loss**.

2. The following replaces section **IV. DEFINITIONS**, **D.** and **F.**:

   D. ***Fiduciary*** means:

   1. any natural person who is a trustee, officer, employee, or administrator of any **Insured**; or

   2. any natural person who is a member of the board of directors, an officer, a member of the board of trustees, a partner, an LLC manager or member, or an employee of any sponsoring entity set forth in **ITEM 1** of the Declarations while that person is **Handling Property** that belongs to any **Insured**.

   Fiduciary does not mean any agent, broker, independent contractor, third party administrator, broker-dealer, registered representative, investment advisor, custodian or other person or entity of the same general character.

   F. ***Handled*** or ***Handling*** mean "handle", "handled", "handles" or "handling" as these terms are set forth in Title 29, Code of Federal Regulations, Section 2580.412-6.

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3. The following replaces section **V. EXCLUSIONS**, **E.** and **G.**:

   E. This policy does not cover loss resulting directly or indirectly from the diminution in value of **Property**, provided this exclusion will not apply to loss that is otherwise covered under this **Policy** and caused by a **Fiduciary's** acts of **Fraud or Dishonesty**.

   G. This policy does not cover loss caused by:

      1. the unauthorized access to, use of, or disclosure of confidential information including patents, trade secrets, processing methods, customer lists or beneficiary lists; or

      2. the unauthorized access to, use of, or disclosure of confidential information or personal information of any customer, **Fiduciary**, beneficiary of an **Insured**, or any other person or entity, including financial information, credit card information or any other type of non-public information,

   provided that this exclusion will not apply to loss that is otherwise covered under this **Policy**, caused by a **Fiduciary's** access to, use of, or disclosure of confidential or personal information to commit acts of **Fraud or Dishonesty**.

4. The following replaces section **VI. CONDITIONS**, **A. GENERAL CONDITIONS**, 1.:

   1. Extended Period to Discover Loss

      The Company will pay the **Insured** for loss that the **Insured** sustained prior to the effective date of cancellation or termination of this **Policy**, which is **Discovered** by the **Insured** during the **Policy Period** or within one year after the date of cancellation or termination of this **Policy**.

      Notwithstanding the above, this Extended Period to Discover loss terminates immediately upon the effective date of any other insurance obtained by the entity sponsoring the Insured Plans or the **Insured** that offers the same coverage afforded by this **Policy** in an amount no less than the minimum amount required under ERISA section 412 and that provides coverage for loss sustained prior to its effective date.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CANCELLATION OR TERMINATION ENDORSEMENT

This endorsement changes the ERISA Fidelity Policy: Policy Number: **107019459**

Issued By: **Travelers Casualty and Surety Company of America**

Issued To: **WINDSET FARMS (CALIFORNIA) INC.**

Effective date: **December 11, 2018** 12:01 a.m.

Process date: **December 12, 2018**

It is agreed that:

1. The following is added to section **VI. CONDITIONS, C. CANCELLATION OR TERMINATION**:

   POLICIES IN EFFECT FOR MORE THAN 60 DAYS

   If this **Policy** has been in effect for more than 60 days, or is a renewal of a **Policy** the Company issued, the Company may cancel this **Policy** only upon the occurrence after the effective date of the **Policy** of one or more of the following:

   1. nonpayment of premiums including payment due on a prior policy the Company issued and due during the current policy term covering the same risks;

   2. discovery of fraud or material misrepresentation by:

      a. the sponsoring entity or the **Insured** or the **Insured's** representative in obtaining this insurance; or

      b. the sponsoring entity or the **Insured** or the **Insured's** representative in pursuing a claim under this **Policy**;

   3. a judgment by a court or an administrative tribunal that the entity sponsoring the Insured Plans or the **Insured** has violated a California or Federal law, having as one of its necessary elements an act that materially increases any of the risks insured against;

   4. discovery of willful or grossly negligent acts or omissions, or of any violations of state laws or regulations establishing safety standards, by the entity sponsoring the Insured Plans or the **Insured** or the **Insured's** representative, which materially increase any of the risks insured against;

   5. failure by the entity sponsoring the Insured Plans or the **Insured** or the **Insured's** representative to implement reasonable loss control requirements, agreed to by the entity sponsoring the Insured Plans or the **Insured** as a condition of **Policy** issuance, or which were conditions precedent to the Company's use of a particular rate or rating plan, if that failure materially increases any of the risks insured against;

   6. a determination by the Commissioner of Insurance that the:

      a. loss of, or changes in, the Company's reinsurance covering all or part of the risk would threaten the Company's financial integrity or solvency; or

      b. continuation of the **Policy** coverage would:

         i. place the Company in violation of California law or the laws of the state where the Company is domiciled; or

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ii. threaten the Company's solvency;

or

7. a change by the entity sponsoring the Insured Plans or the **Insured** or the **Insured's** representative in the activities or property of the commercial or industrial enterprise, which results in a materially added, increased or changed risk, unless the added, increased or changed risk is included in the **Policy**.

The Company will mail or deliver advance written notice of cancellation, stating the reason for cancellation, to the sponsoring entity set forth in **ITEM 1** of the Declarations, and to the producer of record, at least:

1. 10 days before the effective date of cancellation if the Company cancels for a reason listed in paragraph 1. or 2. above; or

2. 30 days before the effective date of cancellation if the Company cancels for any other reason listed in paragraphs 3. – 7. above.

2. The following is added to section **VI. CONDITIONS**:

NONRENEWAL

1. Subject to the provisions of paragraph 2. below, if the Company elects not to offer to renew this **Policy**, the Company will mail or deliver written notice stating the reason for nonrenewal to the sponsoring entity set forth in **ITEM 1** of the Declarations and to the **Insured's** agent or broker of record, at least 60 days, but not more than 120 days, before the expiration or anniversary date.

   The Company will mail or deliver the Company's notice to the sponsoring entity set forth in **ITEM 1** of the Declarations, and to the **Insured's** agent or broker of record, at the mailing address shown in the **Policy**.

2. The Company is not required to send notice of nonrenewal in the following situations:

   a. if the transfer or renewal of a **Policy**, without any changes in terms, conditions, or rates, is between the Company and a member of the Company's insurance group;

   b. if the **Policy** has been extended for 90 day or less, provided that notice has been given in accordance with paragraph 1. above;

   c. if the entity sponsoring the Insured Plans or the **Insured** has obtained replacement coverage, or if the sponsoring entity set forth in **ITEM 1** of the Declarations or the **Insured** has agreed, in writing, within 60 days of the termination of the **Policy**, to obtain that coverage;

   d. if the **Policy** is for a period of no more than 60 days and the entity sponsoring the Insured Plans or the **Insured** is notified at the time of issuance that it will not be renewed;

   e. if the sponsoring entity set forth in **ITEM 1** of the Declarations or the **Insured** requests a change in the terms or conditions or risks covered by the **Policy** within 60 days of the end of the **Policy Period**; or

   f. if the Company has made a written offer to the entity sponsoring the Insured Plans set forth in **ITEM 1** of the Declarations of the **Insured**, in accordance with the timeframes shown in Paragraph 1., to renew the **Policy** under changed terms or conditions or at an increased premium rate, when the increase exceeds 25%.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

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TRAVELERS

IMPORTANT NOTICE REGARDING COMPENSATION DISCLOSURE

For information about how Travelers compensates independent agents, brokers, or other insurance producers, please visit this website: www.travelers.com/w3c/legal/Producer_Compensation_Disclosure.html

If you prefer, you can call the following toll-free number: 1-866-904-8348. Or you can write to us at Travelers, Enterprise Development, One Tower Square, Hartford, CT 06183.

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