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
BUCHALTER 401K PLAN

1b Three-digit plan number (PN) ▶ 002

1c Effective date of plan 02/01/1983

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)
BUCHALTER, A PROFESSIONAL CORPORATION

1000 WILSHIRE BOULEVARD
SUITE 1500
LOS ANGELES, CA 90017-2457

2b Employer Identification Number (EIN)
95-2640846

2c Plan Sponsor's telephone number
213-891-5661

2d Business code (see instructions)
541110

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2019	JONATHAN HAWKINS
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address [X] Same as Plan Sponsor	**3b** Administrator's EIN	
	3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: **a** Sponsor's name **c** Plan Name	**4b** EIN **4d** PN	
5 Total number of participants at the beginning of the plan year	**5**	319
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)**	265
a(2) Total number of active participants at the end of the plan year	**6a(2)**	304
b Retired or separated participants receiving benefits	**6b**	0
c Other retired or separated participants entitled to future benefits	**6c**	61
d Subtotal. Add lines **6a(2)**, **6b**, and **6c**	**6d**	365
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f Total. Add lines **6d** and **6e**.	**6f**	365
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	365
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:

2A 2E 2G 2J 2R 2T 2F

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

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

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

a Pension Schedules

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

b General Schedules

- **(1)** [X] **H** (Financial Information)
- **(2)** [ ] **I** (Financial Information – Small Plan)
- **(3)** [ ] 0 **A** (Insurance Information)
- **(4)** [X] **C** (Service Provider Information)
- **(5)** [ ] **D** (DFE/Participating Plan Information)
- **(6)** [ ] **G** (Financial Transaction Schedules)

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

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

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

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

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

Receipt Confirmation Code_____

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

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

A Name of plan
BUCHALTER 401K PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
BUCHALTER, A PROFESSIONAL CORPORATION

D Employer Identification Number (EIN)
95-2640846

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

MERRILL LYNCH PIERCE FENNER & SMITH

13-5674085

(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)

NEWPORT GROUP, INC.

27-2037969

(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?
12 15 37 60 64 50	NONE	104489	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

NEWPORT TRUST COMPANY

27-4411131

(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?
12 19 65 21 25	NONE	0	Yes [X] No [ ]	Yes [ ] No [X]	61569	Yes [ ] No [X]

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

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

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
NEWPORT TRUST COMPANY	12 19 65	61569
(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.	
NEWPORT GROUP, INC. 27-2037969	TRUST/TRADE PARTNER/CUSTODIAN FEES FOR PLAN YEAR	

(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

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
BUCHALTER 401K PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
BUCHALTER, A PROFESSIONAL CORPORATION

D Employer Identification Number (EIN)
95-2640846

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)	9441883	14359358
(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)	1219990	5148640
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common	1c(4)(B)	12395431	10361409
(5) Partnership/joint venture interests	1c(5)	12199	11912
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)	796024	878662
(8) Participant loans	1c(8)	1073777	1330089
(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)	77559723	73341830
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)	838	260

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	102499865	105432160
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	102499865	105432160

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)	4037291	
	(B) Participants	2a(1)(B)	2919431	
	(C) Others (including rollovers)	2a(1)(C)	3418209	
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		10374931
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	84224	
	(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)	60665	
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		144889
	(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)	4595437	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		4595437
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)	25466616	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	25861814	
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		-395198
	(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)		-9510783
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		5209276
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	2260652	
(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)		2260652
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)	104489	
(3) Investment advisory and management fees	2i(3)	144767	
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		249256
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		2509908
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		2699368
l Transfers of assets:			
(1) To this plan	2l(1)		232927
(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: MILLER AND COMPANY, LLP **(2)** EIN: 95-1754087

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

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

Part IV Compliance Questions

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

During the plan year:

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

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		1500000
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		890574
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.

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

A Name of plan
BUCHALTER 401K PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
BUCHALTER, A PROFESSIONAL CORPORATION

D Employer Identification Number (EIN)
95-2640846

Part I Distributions

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

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

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

EIN(s): 75-3182674

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: 0.0% 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):

BUCHALTER
401(k) PLAN

FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULE

DECEMBER 31, 2018 AND 2017

MILLER KAY CO. LLP
CERTIFIED PUBLIC ACCOUNTANTS

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Member of the
American Institute of
Certified Public Accountants

Established 1949

INDEPENDENT AUDITOR'S REPORT

To the Members of the Employee Benefits Committee of
the Buchalter 401(k) Plan (fka Buchalter Nemer 401(k) Plan)

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Buchalter 401(k) Plan (fka Buchalter Nemer 401(k) Plan), which comprise the statement 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

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

Auditor's Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note C, which was certified by Newport Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2018 and 2017, 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 schedule of assets held for investment purposes as of December 31, 2018, is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule 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 schedule, 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.

Miller and Co. LLP

Woodland Hills, California
October 11, 2019

BUCHALTER 401(k) PLAN
(fka Buchalter Nemer 401(k) Plan)
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31,

ASSETS

	2018	2017
Investments, at fair value	$ 89,742,713	$ 91,984,205
Cash and equivalents	14,359,358	9,441,883
Notes receivable from participants	1,330,089	1,073,777
NET ASSETS AVAILABLE FOR BENEFITS	$ 105,432,160	$ 102,499,865

See accompanying notes to the financial statements.

BUCHALTER 401(k) PLAN
(fka Buchalter Nemer 401(k) Plan)
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2018

ADDITIONS TO NET ASSETS ATTRIBUTED TO:		
Investment income (loss):		
Net depreciation in fair value of investments	$ (9,905,981)	
Interest	84,224	
Dividends	4,595,437	
Total investment loss		$ (5,226,320)
Less investment expenses		(144,767)
Net investment loss		(5,371,087)
Interest income on notes receivable from participants		60,665
Contributions:		
Employer	4,037,291	
Participants	2,919,431	
Rollovers	3,418,209	
Transfers from the Buchalter Associate Attorney 401(k) Plan	232,927	
Total contributions		10,607,858
TOTAL ADDITIONS		5,297,436
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Benefits paid to participants	2,260,652	
Administrative expenses	104,489	
TOTAL DEDUCTIONS		2,365,141
NET INCREASE		2,932,295
NET ASSETS AVAILABLE FOR BENEFITS:		
Beginning of year		102,499,865
End of year		$ 105,432,160

See accompanying notes to the financial statements.

NOTE A - PLAN DESCRIPTION

The following description of the Buchalter 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

1. General: The Plan is a deferred compensation plan under Internal Revenue Code Section 401(k), and is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). At the date of hire, eligible employees who are 18 years of age or older and employed full time may make an election to be included in the Plan. The Employee Benefits Committee is responsible for oversight of the Plan and determines the appropriateness of the Plan's investment offers and monitors investment performance.

2. Employee Contributions: Each participant may elect to have a portion of his or her total gross compensation withheld, up to a maximum of $18,500 in 2018. As of December 31, 2018, individuals age 50 or over, by the end of the plan year, are allowed to make an additional $6,000 contribution for the 2018 plan year. For plan years beginning after January 1, 2015, participants may contribute up to 80%, or 20% for highly compensated employees, of his or her total gross compensation subject to the maximum deferral allowed by IRS regulation.

3. Firm Contributions: Buchalter, APC, (the "Firm") amended its plan effective March 1, 2000 to eliminate matching contributions and to include a profit sharing plan, the contributions of which are at the Firm's discretion. Eligible participants must be employed at December 31 of the plan year. The Firm's contribution is based on 7.5 % of qualified salary for staff. The Firm's contribution for shareholders under 41 is 10% of compensation not to exceed $27,500 and 13.33% of compensation not to exceed $36,500 for shareholders 41 or older. The contribution will be made annually by December 31 for those employed on that date.

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

5. Investment Options: Upon enrollment in the Plan, a participant may direct participant and Firm contributions as desired, in any of a variety of options offered by Newport Trust Company, the trustee, as provided by the Employer. Participants may change their investment options at any time.

6. Vesting: Participants are fully vested in their accounts at any point in time.

7. Rollovers: An employee who qualifies as part of an eligible class of employees can make Rollover contributions subject to the guidelines of the Plan.

8. Notes Receivable from Participants: Loans to participants are secured by the participant's account. The minimum loan amount is $1,000 and may not exceed the lesser of 50% of the participant's account balance or $50,000 in the aggregate for any individual participant. Loan maturity is not to exceed five years, except in cases where loans are used to acquire or construct a participant's principal residence.

NOTE A - PLAN DESCRIPTION (Continued)

In some cases, these loans may be extended up to a term of 30 years. Participants may have a maximum of two loans outstanding at one time. Loans bear interest at the trustee's prime rate plus 1% on the date the loan originated. At December 31, 2018, the rates of the loans outstanding ranged between 4.25% and 10.50%.

9. Payment of Benefits: The purpose of the Plan is to fund participants' retirement income at the normal retirement age. At normal retirement age or in the event of a disability or death, the participant's account may be distributed in a lump sum distribution. Distributions must commence by age 70 ½. In the event that a participant's service is terminated due to causes other than retirement, disability or death, the participant's account distribution may be made as soon as practical or, if the participant's account balance is greater than $5,000, the participant may elect to defer distribution until age 62. In addition, participants may request hardship withdrawals, as defined in the Plan. All such withdrawals, and the terms and conditions thereof, are to be authorized by the plan administrator.

10. Forfeited Accounts: Participants are fully vested in their accounts at any point in time. Therefore, the Plan never has any forfeited nonvested accounts.

11. Plan Termination: Although it has not expressed any intent to do so, the Firm has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their employer contributions. Any unallocated assets of the Plan should be allocated to participant accounts and distributed in such a manner as the Firm may determine.

12. Effective February 2017, the Plan was amended and changed its name to the Buchalter 401(k) Plan.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Date of Management's Review of Subsequent Events
Subsequent events were evaluated through October 11, 2019, which was the date the financial statements were available to be issued.

Use of Estimates
The preparation of financial statements in accordance with the accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosures of contingent assets and liabilities. Actual results may differ from those estimates.

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

Notes Receivable from Participants
Notes receivable from participants are measured at their unpaid principal balance. Related fees are charged directly to the borrowing participant's account and are included in administrative expenses when incurred. As of December 31, 2018 and 2017, no allowance for credit losses has been recorded. If a participant does not make loan repayments and the plan administrator considers the participant loan to be in default, the loan balance is reduced, and the delinquent participant note receivable is recorded as a benefit payment based on the terms of the Plan document.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Notes Receivable from Participants (Continued)
Notes receivable from participants are reported at their unpaid principal balance plus any accrued but unpaid interest, which is considered a good faith approximation of fair value.

Investment Valuation and Income Recognition
Investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note D for discussion of fair value measurements.

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

Payment of Benefits
Benefits are recorded when paid.

Administrative and Other Expenses
Certain administrative expenses incurred by the trustee and other service providers in performance of their duties are paid from the assets of the Plan. Fees related to the administration of notes receivable from participants and other participant specific fees are charged directly the participant's account and are included in administrative expenses.

NOTE C – INVESTMENTS AND CERTIFICATION OF TRUSTEE

The trustee, Newport Trust Company, has been granted discretionary authority to invest and reinvest the assets of the trust, subject to the investment discretion of the individual participants over the Firm contributions and participant contributions.

The Plan administrator has elected the method of compliance as permitted by 29 CFR 2520.103.-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the plan administrator instructed the Plan's independent auditors' not to perform any auditing procedures with respect to the information certified by Newport Trust Company, the trustee of the Plan, as complete and accurate, except for comparing such information certified by the trustee to information included in the Plan's financial statements and supplemental schedule.

Total investments, cash and equivalents, and notes receivable from participants held and certified by Newport Trust Company, the trustee, in the accompanying Statements of Net Assets Available for Benefits were $105,432,160 and $102,499,865 as of December 31, 2018 and 2017, respectively.

Net investment loss and interest on notes receivable, net of expenses, from participants are certified by Newport Trust Company was ($5,310,422) for the year ended December 31, 2018.

NOTE D - 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 are described as follows:

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

Level 2 Inputs to the valuation methodology include:

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

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

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

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

Common stock, corporate bonds, exchange-traded funds and government bonds: Valued at the closing price reported on the active market on which the individual securities are traded.

Partnerships/joint ventures: Valued at fair value at the partnership level based on the current year income/ (loss) and if there were any contributions or withdrawals during the year. The income is determined based on the partnerships method of accounting, which could be different than the accounting method used by the Plan.

In determining the reasonableness of the methodology, the Employee Benefits Committee evaluates a variety of factors including economic conditions and industry and market developments.

Other loans: Other loans are reported at their unpaid principal balance plus any accrued but unpaid interest, which is considered a good faith approximation of fair value.

NOTE D - FAIR VALUE MEASUREMENTS (Continued)

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are opened 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.

Other assets: Valued at the closing price reported on the active market on which the individual securities are traded.

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

The following table set forth, by level within the fair value hierarchy, the Plan's investments 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
Assets in the fair value hierarchy:				
Corporate bonds	$ 5,042,560	$ -	$ -	$ 5,042,560
Government bonds	106,080	-	-	106,080
Common stock	10,361,409	-	-	10,361,409
Exchange-traded funds	8,031,179	-	-	8,031,179
Partnerships/joint ventures	-	-	11,912	11,912
Other loans	-	-	878,662	878,662
Mutual funds	65,310,651	-	-	65,310,651
Other assets	260	-	-	260
Total investments at fair value	$ 88,852,139	$ -	$ 890,574	$ 89,742,713

Assets at Fair Value as of December 31, 2017

	Level 1	Level 2	Level 3	Total
Assets in the fair value hierarchy:				
Corporate bonds	$ 1,219,990	$ -	$ -	$ 1,219,990
Common stock	12,395,431	-	-	12,395,431
Exchange-traded funds	11,304,210	-	-	11,304,210
Partnerships/joint ventures	-	-	12,199	12,199
Other loans	-	-	796,024	796,024
Mutual funds	66,255,513	-	-	66,255,513
Other assets	838	-	-	838
Total investments at fair value	$ 91,175,982	$ -	$ 808,223	$ 91,984,205

NOTE D - FAIR VALUE MEASUREMENTS (Continued)

The following table reconciles the beginning and ending balance of fair value measurements using significant unobservable inputs (Level 3) for the years ended December 31, 2018 and 2017:

December 31, 2018	Other Loans	Partnership/Joint Ventures	Total
Beginning Balance	$ 796,024	$ 12,199	$ 808,223
Gains and (losses) realized and unrealized	-	(287)	(287)
Issuances	82,638	-	82,638
Ending Balance	$ 878,662	$ 11,912	$ 890,574

December 31, 2017	Other Loans	Partnership/Joint Ventures	Total
Beginning Balance	$ 721,159	$ 10,110	$ 731,269
Gains and (losses) realized and unrealized	-	2,089	2,089
Issuances	74,865	-	74,865
Ending Balance	$ 796,024	$ 12,199	$ 808,223

Gains and losses (realized and unrealized) included in changes in net assets available for benefits for the years ended December 31, 2018 and 2017, are reported in net depreciation in fair value of investments.

The Plan's policy is to recognize transfers between Level 1 and Level 2 and into and out of Level 3 at the end of the reporting period. For the years ended December 31, 2018 and 2017, there were no transfers between Level 1 and Level 2 and no transfers into or out of Level 3.

NOTE E – RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

Plan investments are managed by Newport Trust Company (NTC). NTC is the trustee and recordkeeper for the Plan and therefore, these transactions qualify as party-in-interest transactions. Notes receivable from participants and the related interest income are also considered party-in-interest transactions.

NOTE F - TAX STATUS

The Internal Revenue Service has determined and informed the Company by a letter dated November 30, 2016, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed and currently being operated in compliance with the applicable requirements of the IRC and therefore believe that the Plan is qualified and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require the plan administrator to evaluate tax positions taken by the Plan and recognize a tax liability for any uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by tax authorities; however, there are currently no audits for any tax periods in progress.

NOTE G - RISKS AND UNCERTAINTIES

Plan investments are subject to market fluctuations and interest rate changes that may materially affect their fair value. Certain investment options could include contracts with insurance companies and other financial institutions. These contracts could impose a contract penalty on withdrawals or exchanges from the fund caused by extraordinary events.

The Plan invests, through mutual funds in the securities of foreign companies, which involve special risks and considerations not typically associated with investing in U.S. companies. These risks include devaluation of currencies, less reliable information about issuers, different securities transaction clearance and settlement practices, and possible adverse political and economic developments.

SUPPLEMENTAL SCHEDULE FURNISHED PURSUANT

TO DOL REGULATIONS UNDER ERISA

DECEMBER 31, 2018

PLAN NAME: BUCHALTER 401(k) PLAN
(fka Buchalter Nemer 401(k) Plan)
EIN: 95-2640846 PLAN#: 002
SCHEDULE H, LINE 4I
SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES AT DECEMBER 31, 2018

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
*	Newport Trust Company	AIG FOCUSED DIVIDEND STRATEGY FUND-A	**	$ 6,724,313
*	Newport Trust Company	ALLIANZ GI GLOBAL WATER-INST	**	239,526
*	Newport Trust Company	AMG MANAGERS FAIRPOINTE MID CAP FUND CLASS I	**	298,832
*	Newport Trust Company	BLACKROCK HEALTH SC - INS	**	1,625,797
*	Newport Trust Company	COLUMBIA SELIGMAN GLOBAL TECHNOLOGY	**	931,792
*	Newport Trust Company	COLUMBIA SMALL CAP INDEX A	**	304,754
*	Newport Trust Company	DAVIS FINANCIAL Y	**	512,041
*	Newport Trust Company	GOLDMAN SACHS LARGE CAP GROWTH	**	6,797,116
*	Newport Trust Company	GOLDMAN SACHS S/C VALUE INST	**	1,865,776
*	Newport Trust Company	HARTFORD GLB CAP APPREC-R4	**	1,689,602
*	Newport Trust Company	INVESCO REAL ESTATE FUND R5	**	1,393,852
*	Newport Trust Company	ISHARES S&P 500 INDEX FUND INSTITUTIONAL	**	4,639,587
*	Newport Trust Company	JANUS HENDERSON ENTERPRISE FUND A SHARES	**	3,269,876
*	Newport Trust Company	LORD ABBETT ALL VALUE A	**	673,149
*	Newport Trust Company	MFS GOVERNMENT SECURITIES	**	3,795,328
*	Newport Trust Company	MFS INTERNATIONAL VALUE	**	3,359,251
*	Newport Trust Company	MFS UTILITIES	**	521,413
*	Newport Trust Company	OPPENHEIMER DEVELOPING MARKETS	**	1,820,966
*	Newport Trust Company	PARNASSUS WORKPLACE FUND	**	70,970
*	Newport Trust Company	PGIM JENN NATURAL RESOURCES	**	420,053
*	Newport Trust Company	PIMCO FUNDS INST	**	4,027,936
*	Newport Trust Company	PIMCO REAL RETURN BOND	**	1,145,311
*	Newport Trust Company	PIMCO TOTAL RETURN	**	2,193,762
*	Newport Trust Company	PRINCIPAL INV HIGH YIELD	**	1,315,243
*	Newport Trust Company	TEMPLETON GLOBAL BOND	**	211,056
*	Newport Trust Company	TOUCHSTONE SMALL COMPANY FUND CLASS A	**	1,582,654
*	Newport Trust Company	VIRTUS FOREIGN OPPORTUNITY	**	2,920,337
*	Newport Trust Company	WELLS FARGO ADV ADJ RATE GVT	**	1,646,110
*	Newport Trust Company	WELLS FARGO SPECIAL MID CAP VALUE FUND CI A	**	1,875,210
*	Newport Trust Company	LENDERS FUNDINGS LLC 12/31/2013	**	680,069
*	Newport Trust Company	LENDERS FUNDINGS LLC 12/31/2015	**	198,593
*	Newport Trust Company	FUNDAMENTAL CREDIT RECOVERY FUND LP	**	9,878
*	Newport Trust Company	SELF DIRECTED BROKERAGE ACCOUNTS	**	30,982,560
		Total Investments		89,742,713
*	Newport Trust Company	CASH AND EQUIVALENTS	**	14,359,358
*	Participant Loans	4.25% - 10.50%	-0-	1,330,089
		Total		$ 105,432,160

* A party-in-interest as defined by ERISA

** Cost omitted for participant directed investments