Form 5500-SF

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Short Form Annual Return/Report of Small Employee Benefit Plan

This form is required to be filed 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-SF.**

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 02/01/2018 and ending 01/31/2019

A This return/report is for:
- [X] a single-employer plan
- [ ] a multiple-employer plan (not multiemployer) (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- [ ] a one-participant plan
- [ ] a foreign plan

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

Part II Basic Plan Information—enter all requested information

1a Name of plan
SOUND COM CORPORATION DEFINED BENEFIT PLAN

1b Three-digit plan number (PN) ▶ 002

1c Effective date of plan 02/01/1989

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)
SOUND COM CORPORATION

227 DEPOT ST
BEREA, OH 44017-1899

2b Employer Identification Number (EIN) 34-1137084

2c Sponsor's telephone number 440-234-2604

2d Business code (see instructions) 238900

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

5a Total number of participants at the beginning of the plan year	**5a**	55
b Total number of participants at the end of the plan year	**5b**	55
c Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**5c**	
d(1) Total number of active participants at the beginning of the plan year	**5d(1)**	36
d(2) Total number of active participants at the end of the plan year	**5d(2)**	33
e Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	**5e**	2

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, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, 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.	11/12/2019	CARL MCLAUGHLIN
	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

6a Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.) [X] Yes [ ] No

b Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.) [X] Yes [ ] No

If you answered "No" to either line 6a or line 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.

c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? [X] Yes [ ] No [ ] Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 4185687. (See instructions.)

Part III Financial Information

7 Plan Assets and Liabilities		(a) Beginning of Year	(b) End of Year
a Total plan assets	7a	823059	875985
b Total plan liabilities	7b	0	0
c Net plan assets (subtract line 7b from line 7a)	7c	823059	875985
8 Income, Expenses, and Transfers for this Plan Year		**(a) Amount**	**(b) Total**
a Contributions received or receivable from: (1) Employers	8a(1)	86541	
(2) Participants	8a(2)	0	
(3) Others (including rollovers)	8a(3)	0	
b Other income (loss)	8b	-20532	
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c		66009
d Benefits paid (including direct rollovers and insurance premiums to provide benefits)	8d	629	
e Certain deemed and/or corrective distributions (see instructions)	8e	0	
f Administrative service providers (salaries, fees, commissions)	8f	12454	
g Other expenses	8g	0	
h Total expenses (add lines 8d, 8e, 8f, and 8g)	8h		13083
i Net income (loss) (subtract line 8h from line 8c)	8i		52926
j Transfers to (from) the plan (see instructions)	8j	0	

Part IV Plan Characteristics

9a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
1B 3D

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

Part V Compliance Questions

10 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? (See instructions and DOL's Voluntary Fiduciary Correction Program)	10a		X	
b Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.)	10b		X	
c Was the plan covered by a fidelity bond?	10c	X		150000
d Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	10d		X	
e Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service, or other organization that provides some or all of the benefits under the plan? (See instructions.)	10e		X	
f Has the plan failed to provide any benefit when due under the plan?	10f		X	
g Did the plan have any participant loans? (If "Yes," enter amount as of year-end.)	10g		X	
h If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	10h			
i If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	10i			

Part VI Pension Funding Compliance

11	Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500) and line 11a below)	[X] Yes [ ] No
11a	Enter the unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40	**11a** 0
12	Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA? (If "Yes," complete line 12a or lines 12b, 12c, 12d, and 12e below, as applicable.)	[ ] Yes [X] No
a	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 letter ruling granting the waiver. Month _____ Day _____ Year _____	

If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.

b	Enter the minimum required contribution for this plan year	**12b**	
c	Enter the amount contributed by the employer to the plan for this plan year	**12c**	
d	Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of a negative amount)	**12d**	
e	Will the minimum funding amount reported on line 12d be met by the funding deadline?		[ ] Yes [ ] No [ ] N/A

Part VII Plan Terminations and Transfers of Assets

13a	Has a resolution to terminate the plan been adopted in any plan year?		[ ] Yes [X] No
	If "Yes," enter the amount of any plan assets that reverted to the employer this year	**13a**	
b	Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		[ ] Yes [X] No

c 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.)

13c(1) Name of plan(s):	**13c(2)** EIN(s)	**13c(3)** PN(s)

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2018

This Form is Open to Public Inspection

For calendar plan year 2018 or fiscal plan year beginning 02/01/2018 and ending 01/31/2019

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan
SOUND COM CORPORATION DEFINED BENEFIT PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
SOUND COM CORPORATION

D Employer Identification Number (EIN)
34-1137084

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [X] 100 or fewer [ ] 101-500 [ ] More than 500

Part I Basic Information

1 Enter the valuation date: Month 02 Day 01 Year 2018

2 Assets:

a Market value	**2a**	823023
b Actuarial value	**2b**	823023

3 Funding target/participant count breakdown

	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	0	0	0
b For terminated vested participants	19	301417	301417
c For active participants	36	605220	709283
d Total	55	906637	1010700

4 If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ]

a Funding target disregarding prescribed at-risk assumptions	**4a**	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	**4b**	
5 Effective interest rate	**5**	5.99 %
6 Target normal cost	**6**	36733

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE

	11/11/2019
Signature of actuary	Date
SETH H. PITASKY, EA, MAAA, MSPA	17-07321
Type or print name of actuary	Most recent enrollment number
CBIZ RETIREMENT PLAN SERVICES	216-447-9000
Firm name	Telephone number (including area code)
6050 OAK TREE BLVD SOUTH SUITE 500 CLEVELAND, OH 44131	
Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of Year Carryover and Prefunding Balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	176
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	0	176
10	Interest on line 9 using prior year's actual return of 14.43 %	0	25
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		2220
	b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of 6.19%		137
	b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
	c Total available at beginning of current plan year to add to prefunding balance		2357
	d Portion of (c) to be added to prefunding balance		2357
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	2558

Part III Funding Percentages

14	Funding target attainment percentage	14	81.17%
15	Adjusted funding target attainment percentage	15	81.17%
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	76.75%
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
05/14/2018	17350	0			
08/09/2018	17350	0			
11/16/2018	17350	0			
02/12/2019	17350	0			
10/11/2019	17141	0			
			Totals ► **18(b)**	86541	**18(c)** 0

19	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
	a Contributions allocated toward unpaid minimum required contributions from prior years	19a	0
	b Contributions made to avoid restrictions adjusted to valuation date	19b	0
	c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	82352

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [ ] Yes [X] No

c If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
3.92%	5.52%	6.29%	☐ N/A, full yield curve used

b Applicable month (enter code)	**21b**	0
22 Weighted average retirement age	**22**	65

23 Mortality table(s) (see instructions)

Prior regulation:	☒ Prescribed - combined	☐ Prescribed - separate	☐ Substitute	
Current regulation:	☐ Prescribed - combined	☐ Prescribed - separate	☐ Substitute	

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No

27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment	**27**	

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	**28**	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	**29**	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	**30**	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6)	**31a**	36733
b Excess assets, if applicable, but not greater than line 31a	**31b**	0

32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	190235	45608
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	**33**	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	**34**	82341

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement			0

36 Additional cash requirement (line 34 minus line 35)	**36**	82341
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	82352
38 Present value of excess contributions for current year (see instructions)		
a Total (excess, if any, of line 37 over line 36)	**38a**	11
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	**38b**	0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	**39**	0
40 Unpaid minimum required contributions for all years	**40**	0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:

a Schedule elected ☐ 2 plus 7 years ☐ 15 years

b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

SCHEDULE SB ATTACHMENT

Line 26 - Schedule of Active Participant Data

Plan Name: Sound Com Corporation Defined Benefit Plan
EIN/PN: 34-1137084/002
Valuation Date: February 1, 2018

Compensation is shown below only for cells where the counts are greater than 20.

	Years of Credited Service													
Att.	Under					5 to	10 to	15 to	20 to	25 to	30 to	35 to	40 &	
Age:	1	1	2	3	4	9	14	19	24	29	34	39	Up	Total
Under	-	1	-	-	-	-	-	-	-	-	-	-	-	1
25	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25 to	-	-	1	-	-	-	-	-	-	-	-	-	-	1
29	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30 to	-	1	-	-	-	2	1	-	-	-	-	-	-	4
34	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35 to	-	1	2	-	-	1	1	2	-	-	-	-	-	7
39	-	-	-	-	-	-	-	-	-	-	-	-	-	-
40 to	-	-	-	-	2	-	2	1	-	-	-	-	-	5
44	-	-	-	-	-	-	-	-	-	-	-	-	-	-
45 to	-	-	-	-	-	2	1	1	2	-	-	-	-	6
49	-	-	-	-	-	-	-	-	-	-	-	-	-	-
50 to	-	-	-	-	-	2	-	2	1	-	1	-	-	6
54	-	-	-	-	-	-	-	-	-	-	-	-	-	-
55 to	-	-	-	-	-	1	-	-	1	1	-	-	-	3
59	-	-	-	-	-	-	-	-	-	-	-	-	-	-
60 to	-	1	-	-	-	-	-	-	1	-	-	-	1	3
64	-	-	-	-	-	-	-	-	-	-	-	-	-	-
65 to	-	-	-	-	-	-	-	-	-	-	-	-	-	-
69	-	-	-	-	-	-	-	-	-	-	-	-	-	-
70 &	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Up	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	4	3	-	2	8	5	6	5	1	1	-	1	36
	-	-	-	-	-	-	-	-	-	-	-	-	-	-

ACTUARIAL ASSUMPTIONS

Funding Discount Rates

IRS-Prescribed Three-Segment Rates, for the month that includes the valuation date (Feb).

	Non-Stabilized	Limited to 25-Year Corridor
Segment I:	1.84%	3.92%
Segment II:	3.66%	5.52%
Segment III:	4.49%	6.29%

The "Limited to 25 Year Corridor" rates are adjusted by the applicable maximum and applicable minimum percentages of the 25-year average segment rates, as set forth in the Highway and Transportation Funding Act of 2014 ('HATFA-14') for use in Minimum Required Contribution calculations. The IRS Maximum Deductible Limit Calculations use the rates from the "Non-Stabilized" column above.

Effective Interest Rate

The Effective Interest Rate (EIR) for the 2018 Plan Year was 5.99%. For the prior Plan year, the EIR was 6.19%.

The EIR is the single rate of interest which, if used to determine the Funding Target, would equal the Funding Target determined using the plan sponsor's above elected discount rates. The EIR is used to discount contributions for minimum funding requirements and to accumulate excess contributions to the end of the year.

PBGC Variable Premium Discount Rates

The segment rates used to calculate the PBGC Variable Rate Premiums with the Standard Premium Funding Target and/or Alternative Premium Funding Target are as follows:

	Standard	Alternative
Segment I:	2.48%	1.84%
Segment II:	3.65%	3.66%
Segment III:	4.15%	4.49%

The Standard Premium Funding Target rates are based on rates for the month prior to the valuation, and the Alternative Premium Funding Target rates are based on non-stabilized funding discount rates for the current valuation.

ACTUARIAL ASSUMPTIONS (cont)

Healthy Participant Mortality

IRS Prescribed Optional Combined Mortality for Males and Females (1.430(h)(3)-1) for the current Plan Year.

The plan sponsor has deemed the implementation of the RP-2014 generational mortality tables for the 2018 Plan Year would result in an adverse business impact that is greater than the de minimis and has informed CBIZ of their intent to delay their implementation until the 2019 Plan Year.

Expected Return on Assets

Not applicable for funding calculation purposes. A smoothing method is not used to calculate the Actuarial Value of Assets; therefore, the Expected Return on Assets is not used.

Expenses

Administrative expenses were assumed to equal actual expenses in the prior year. Under this assumption, expenses of $10,898 were included in the Normal Cost.

Salary Scale

None.

Inflation

None.

This assumption affects long-term assumed increases in the Social Security Taxable Wage base and the IRS Compensation Limits.

Withdrawal Rates

2003 SOA Small Plan Turnover - Age Table (1000 lives or less). Below is a table of representative rates.

Age	Rates
20	24.30%
25	19.50%
30	15.50%
35	12.10%
40	9.40%
45	7.30%
50	5.60%
55	4.20%
60	3.00%

Benefit Commencement Age

Future deferred vested participants are assumed to commence at the Plan's Normal Retirement Age, or valuation age, if later.

ACTUARIAL ASSUMPTIONS (cont)

Disability Incidence

The 1987 Commissioner's Group Disability Male Table for males, and the 1987 Commisssioner's Group Disability Table for females. Below is a table of representative rates.

Age	Rates (M)	Rates (F)
20	0.078%	0.026%
25	0.085%	0.012%
30	0.097%	0.047%
35	0.121%	0.030%
40	0.169%	0.097%
45	0.280%	0.085%
50	0.515%	0.139%
55	0.969%	0.146%
60	1.482%	0.667%

Benefit Commencement Age

Future disabled participants are assumed to commence immediately upon eligibility.

Disabled Participant Mortality

Same as Healthy Participant Mortality.

Retirement Rates

Retirement was assumed at the Plan's Normal Retirement Age.

Spousal Assumptions

75% of Males and 75% of Females are assumed to be married. Females are assumed to be 3 years younger than males. This assumption is expected to reflect actual plan experience but a formal analysis has not been conducted due to the lack of credible experience.

Form of Payment

100% of future retirements are assumed to take a life annuity in the Plan's Normal Form. The valuation of participants in pay status is based on the actual form of payment elected by the participant, as provided in the census data.

Changes in non-required assumptions since the prior valuation

None.

ACTUARIAL METHODS

Minimum Funding Cost Method

The actuarial cost method used to determine the liabilities for minimum funding calculations is the Traditional Unit Credit method. The objective under this method is to fund each participant's benefits under the plan as they accrue. Under this cost method, the actuarial accrued liability is the sum of the individual accrued liabilities for all participants and the normal cost is the sum of the individual normal costs for each participant. The individual accrued liability for a participant is the present value of the accrued benefit as of the valuation date taking into account service and/or pay as of the valuation date. The individual normal cost for a participant is the present value of the benefit expected to accrue in the plan year being valued.

If a plan is frozen, there is no normal cost attributable to benefit accruals.

Maximum deductible contribution method

The actuarial cost method used to determine the liabilities for maximum deductible calculations is the Projected Unit Credit method. The objective under this method is to fund each participant's benefits under the plan as they accrue, taking into consideration expected future compensation increases. Under this cost method, the actuarial accrued liability is the sum of the individual accrued liabilities for all participants and the normal cost is the sum of the individual normal costs for all participant. The individual accrued liability for a participant is the sum of 1) the present value of the accrued benefit earned as of the valuation date taking into account service and/or pay as of the valuation date; plus 2) the present value of the accrued benefit expected to be earned because of any expected future compensation increases.

The individual normal cost for a participant is the sum of the present value of the benefit expected to accrue in the plan year being valued taking into account any expected future compensation increases.

Asset Method

We used financial data submitted by the trustee as of the valuation date without further audit. This information was not be verified by a plan's actuary. We have reviewed the information for internal consistency, and we have no reason to doubt is substantial accuracy.

Changes in methods since the prior valuation

None.

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

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OMB No. 1210-0110

2018

This Form is Open to Public Inspection

For calendar plan year 2018 or fiscal plan year beginning 02/01/2018 and ending 01/31/2019

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan
SOUND COM CORPORATION DEFINED BENEFIT PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
SOUND COM CORPORATION

D Employer Identification Number (EIN)
34-1137084

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [X] 100 or fewer [ ] 101-500 [ ] More than 500

Part I Basic Information

1 Enter the valuation date: Month 02 Day 01 Year 2018

2 Assets:

a Market value	**2a**	823,023
b Actuarial value	**2b**	823,023

3 Funding target/participant count breakdown

	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	0	0	0
b For terminated vested participants	19	301,417	301,417
c For active participants	36	605,220	709,283
d Total	55	906,637	1,010,700

4 If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ]

a Funding target disregarding prescribed at-risk assumptions	**4a**	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	**4b**	
5 Effective interest rate	**5**	5.99%
6 Target normal cost	**6**	36,733

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE

Seth H. Pitasky, EA, MAAA, MSPA — 11/11/2019

Signature of actuary — Date

SETH H. PITASKY, EA, MAAA, MSPA — 1707321

Type or print name of actuary — Most recent enrollment number

CBIZ RETIREMENT PLAN SERVICES — 216-447-9000

Firm name — Telephone number (including area code)

6050 OAK TREE BLVD SOUTH
SUITE 500
CLEVELAND OH 44131

Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of Year Carryover and Prefunding Balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	176
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	0	176
10	Interest on line 9 using prior year's actual return of 14.43%	0	25
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		2,220
	b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of 6.19%		137
	b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
	c Total available at beginning of current plan year to add to prefunding balance		2,357
	d Portion of (c) to be added to prefunding balance		2,357
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	2,558

Part III Funding Percentages

14	Funding target attainment percentage	14	81.17%
15	Adjusted funding target attainment percentage	15	81.17%
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	76.75%
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
05/14/2018	17,350	0			
08/09/2018	17,350	0			
11/16/2018	17,350	0			
02/12/2019	17,350	0			
10/11/2019	17,141	0			
			Totals ► 18(b)	86,541	18(c) 0

19	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
	a Contributions allocated toward unpaid minimum required contributions from prior years	19a	0
	b Contributions made to avoid restrictions adjusted to valuation date	19b	0
	c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	82,352

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [ ] Yes [X] No

c If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	☐ N/A, full yield curve used
3.92 %	5.52 %	6.29%	

b Applicable month (enter code) **21b** 0

22 Weighted average retirement age **22** 65

23 Mortality table(s) (see instructions)

Prior regulation: ☒ Prescribed - combined ☐ Prescribed - separate ☐ Substitute

Current regulation: ☐ Prescribed - combined ☐ Prescribed - separate ☐ Substitute

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No

27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment **27**

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years **28** 0

29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a) **29** 0

30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29) **30** 0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6) **31a** 36,733

b Excess assets, if applicable, but not greater than line 31a **31b** 0

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	190,235	45,608
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount **33**

34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) **34** 82,341

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement			0

36 Additional cash requirement (line 34 minus line 35) **36** 82,341

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) **37** 82,352

38 Present value of excess contributions for current year (see instructions)

a Total (excess, if any, of line 37 over line 36) **38a** 11

b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances **38b** 0

39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) **39** 0

40 Unpaid minimum required contributions for all years **40** 0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:

a Schedule elected ☐ 2 plus 7 years ☐ 15 years

b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

SCHEDULE SB ATTACHMENT

Line 19 - Discounted Employer Contributions

Plan Name: Sound Com Corporation Defined Benefit Plan
EIN/PN: 34-1137084/002
Valuation Date: February 1, 2018

Total Contributed: $86,541.00 **Total Discounted to Valuation Date: $82,352.00**

Date	Amount	Plan Year Beginning	Effective Rate of Interest	Amount Discounted	Penalty Rate of Interest	Additional Amount Discounted	Present Value on Date of Valuation
05/14/2018	17,350	02/2018	5.99%	280			17,070
08/09/2018	17,350	02/2018	5.99%	515			16,835
11/16/2018	17,350	02/2018	5.99%	778	10.99%	2	16,570
02/12/2019	17,350	02/2018	5.99%	1,009			16,341
10/11/2019	17,141	02/2018	5.99%	1,605			15,536

SCHEDULE SB ATTACHMENT

Line 22 - Weighted Average Retirement Age

Plan Name: Sound Com Corporation Defined Benefit Plan
EIN/PN: 34-1137084/002
Valuation Date: February 1, 2018

Each participant is assumed to retire at his/her normal retirement age of 65.

SUMMARY of PLAN BENEFITS

Plan Effective Date	February 1, 1989. The plan was last amended and restated effective February 1, 2012.
Eligibility Requirements	First day of the calendar month coincident with or next following the date an Eligible Employee completes one (1) Year of Eligibility Service, which is defined as 300 Hours of Service worked during an Eligibility Computation Period. Any Employee who is a member of Local 1377 I.B.E.W. shall be eligible to participant in the Plan upon satisfaction of these eligibility requirements.
Vesting	100% vesting upon earning 5 Years of Vesting Service.
Accrued Benefit Formula	$32 multiplied by the Participant's Years of Credited Service since January 31, 1979 at Normal Retirement Date or earlier termination of employment.
Credited Service	Generally, a Year of Service is a 12-consecutive month period during which an Employee is credited with at least 1000 Hours of Service with an Employer. Partial credit, determined to two decimal places, will be granted on a prorated basis for Hours of Service greater than 300 but less than 1000.
Vesting Service	A Year of Service for Vesting is a 12-month consecutive period in which an Employee is credited with at least 300 Hours of Service.
Normal Retirement Age	Upon attainment of 65.
Early Retirement	Eligibility: Upon attainment of age 60 and completion of 5 Years of Credited Service. Benefit: A Participant's Early Retirement Benefit shall be reduced by 6.66% for each year that his Early Retirement Date precedes his projected Normal Retirement Date.
Disability Retirement	Eligibility: Upon earning 5 Years of Service, and becoming eligible for Social Security Disability Benefits. Benefit: The unreduced Accrued Benefit payable immediately.
Pre-Retirement Death	Eligibility: Upon earning 5 Years of Service. Benefit: The spouse is eligible for 50% of the benefit that would have been payable, if the Participant had live to Early Retirement Eligibility and elected a 50% Qualified Joint and Survivor Annuity. The benefit is payable upon the Participant's Early Retirement Eligibility date.

SUMMARY of PLAN BENEFITS (cont)

Normal Form of Payment	Unless otherwise elected, the benefit payable a participant who has been married at least one year is an actuarially equivalent 50% Joint and Survivor benefit. For unmarried participants, the Normal Form is a straight-life annuity.
Optional Forms	Benefits may be elected from: • 50% and 100% Joint and Survivor • 5, 10 and 15 Year Certain and Continuous • Straight Life Annuity
Changes in Plan Benefits recognized since the last valuation	None.

SCHEDULE SB ATTACHMENT

Line 32 - Amortization Bases Used in the Valuation

Plan Name: Sound Com Corporation Defined Benefit Plan
EIN/PN: 34-1137084/002
Valuation Date: February 1, 2018

Original Valuation	Remaining Years	Amortization Type	Outstanding Balance	Current Year Amortization
2/1/2018	7	7 year	13,322	2,175
2/1/2017	6	7 year	31,046	5,748
2/1/2016	5	7 year	84,491	18,222
2/1/2015	4	7 year	31,950	8,454
2/1/2014	3	7 year	31,496	10,905
2/1/2013	2	7 year	(4,433)	(2,259)
2/1/2012	1	7 year	2,363	2,363