

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 2019 This Form is Open to Public Inspection
---	---	--

Part I	Annual Report Identification Information
For calendar plan year 2019 or fiscal plan year beginning <u>01/01/2019</u> and ending <u>06/01/2019</u>	
A This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report ☒ the final return/report ☐ an amended return/report ☒ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information				
1a Name of plan <u>SPECIALTY FURNISHINGS INC. 401K PROFIT SHARING PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>05/01/1998</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>05/01/1998</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>05/01/1998</u>					
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>SPECIALTY FURNISHINGS INC.</u> <u>1030 NORCROSS INDUSTRIAL CT</u> <u>NORCROSS, GA 30071-2618</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>58-2299170</u></td> </tr> <tr> <td>2c Plan Sponsor's telephone number <u>770-446-6114</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>423200</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>58-2299170</u>	2c Plan Sponsor's telephone number <u>770-446-6114</u>	2d Business code (see instructions) <u>423200</u>	
2b Employer Identification Number (EIN) <u>58-2299170</u>					
2c Plan Sponsor's telephone number <u>770-446-6114</u>					
2d Business code (see instructions) <u>423200</u>					

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	04/03/2020	LAUREN HALL
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2019)
v. 190130

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 139
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 127 6a(2) 0 6b 0 6c 0 6d 0 6e 0 6f 0 6g 0 6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2G 2J 2K 2S 2T 3D b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	

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

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

a Pension Schedules

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

b General Schedules

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

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2019 Form M-1 annual report. If the plan was not required to file the 2019 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 A (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Insurance Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500. ▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 2019 This Form is Open to Public Inspection
---	---	---

For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 06/01/2019	
A Name of plan SPECIALTY FURNISHINGS INC. 401K PROFIT SHARING PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 SPECIALTY FURNISHINGS INC.	D Employer Identification Number (EIN) 58-2299170

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
---------------	---

1 Coverage Information:

(a) Name of insurance carrier AMERICAN UNITED LIFE INSURANCE COMPANY
--

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
35-0145825	60895	G35604	0	01/01/2019	06/01/2019

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).
(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end **4** 0**5** Current value of plan's interest under this contract in separate accounts at year end **5** 0**6** Contracts With Allocated Funds:**a** State the basis of premium rates ▶**b** Premiums paid to carrier **6b****c** Premiums due but unpaid at the end of the year **6c****d** If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. **6d**
Specify nature of costs ▶**e** Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity
(3) ☐ other (specify) ▶**f** If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)**a** Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee
(3) ☐ guaranteed investment (4) ☒ other ▶ **GROUP ANNUITY CONTRACT****b** Balance at the end of the previous year **7b** 8469**c** Additions: (1) Contributions deposited during the year **7c(1)** 1194
(2) Dividends and credits **7c(2)** 0
(3) Interest credited during the year **7c(3)** 40
(4) Transferred from separate account **7c(4)** 1220
(5) Other (specify below) **7c(5)** 1395▶ **LOAN REPAYMENT**(6) Total additions **7c(6)** 3849**d** Total of balance and additions (add lines **7b** and **7c(6)**) **7d** 12318**e** Deductions:
(1) Disbursed from fund to pay benefits or purchase annuities during year **7e(1)** 1921
(2) Administration charge made by carrier **7e(2)** 213
(3) Transferred to separate account **7e(3)** 4065
(4) Other (specify below) **7e(4)** 6119▶ **TRANSFER TO OUTSIDE SOURCE**(5) Total deductions **7e(5)** 12318**f** Balance at the end of the current year (subtract line **7e(5)** from line **7d**) **7f** 0

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
b ☐ Dental
c ☐ Vision
d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
f ☐ Long-term disability
g ☐ Supplemental unemployment
h ☐ Prescription drug
i ☐ Stop loss (large deductible)
j ☐ HMO contract
k ☐ PPO contract
l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received.....	9a(1)		
(2) Increase (decrease) in amount due but unpaid.....	9a(2)		
(3) Increase (decrease) in unearned premium reserve	9a(3)		
(4) Earned ((1) + (2) - (3)).....		9a(4)	
b Benefit charges (1) Claims paid.....	9b(1)		
(2) Increase (decrease) in claim reserves.....	9b(2)		
(3) Incurred claims (add (1) and (2))		9b(3)	
(4) Claims charged		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions	9c(1)(A)		
(B) Administrative service or other fees.....	9c(1)(B)		
(C) Other specific acquisition costs	9c(1)(C)		
(D) Other expenses.....	9c(1)(D)		
(E) Taxes	9c(1)(E)		
(F) Charges for risks or other contingencies.....	9c(1)(F)		
(G) Other retention charges	9c(1)(G)		
(H) Total retention.....		9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.).....		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement		9d(1)	
(2) Claim reserves		9d(2)	
(3) Other reserves.....		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).)		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount.....	10b	

Specify nature of costs.

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2019
		This Form is Open to Public Inspection.

For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 06/01/2019		
A Name of plan SPECIALTY FURNISHINGS INC. 401K PROFIT SHARING PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 SPECIALTY FURNISHINGS INC.	D Employer Identification Number (EIN) 58-2299170	

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)..... ☒ Yes ☐ No

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

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
AMERICAN UNITED LIFE INSURANCE CO
35-0145825

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

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

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

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

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

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

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

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

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

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

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

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)

AMERICAN UNITED LIFE INSURANCE COMP

35-0145825

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 37 38 50 64 52 59 60 63 66 67	NONE	519	Yes ☒ No ☐	Yes ☐ No ☒	4072	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 ☐

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
AMERICAN UNITED LIFE INSURANCE COMP	52 59 60 63	0

(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.
STATE STREET GLOBAL 04-1867445	REVENUE SHARING FORMULA - SEE ATTACHED

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
AMERICAN UNITED LIFE INSURANCE COMP	52 59 60 63	0

(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.
PRUDENTIAL 22-3468527	REVENUE SHARING FORMULA - SEE ATTACHED

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
AMERICAN UNITED LIFE INSURANCE COMP	52 59 60 63	0

(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.
PIONEER 13-1961193	REVENUE SHARING FORMULA - SEE ATTACHED

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
AMERICAN UNITED LIFE INSURANCE COMP	52 59 60 63	0

(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.
PIMCO 06-1349805	REVENUE SHARING FORMULA - SEE ATTACHED

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
AMERICAN UNITED LIFE INSURANCE COMP	52 59 60 63	0

(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.
OPPENHEIMER 13-2527171	REVENUE SHARING FORMULA - SEE ATTACHED

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
AMERICAN UNITED LIFE INSURANCE COMP	52 59 60 63	0

(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.
ONEAMERICA FUNDS 35-0145825	REVENUE SHARING FORMULA - SEE ATTACHED

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
AMERICAN UNITED LIFE INSURANCE COMP	52 59 60 63	0

(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.
OAK RIDGE 36-4142388	REVENUE SHARING FORMULA - SEE ATTACHED

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
AMERICAN UNITED LIFE INSURANCE COMP	52 59 60 63	0

(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.
MFS 04-3169826	REVENUE SHARING FORMULA - SEE ATTACHED

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
AMERICAN UNITED LIFE INSURANCE COMP	52 59 60 63	0

(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.
JANUS HENDERSON 75-3019319	REVENUE SHARING FORMULA - SEE ATTACHED

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
AMERICAN UNITED LIFE INSURANCE COMP	52 59 60 63	0
(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.	
INVESCO 74-1881364	REVENUE SHARING FORMULA - SEE ATTACHED	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
AMERICAN UNITED LIFE INSURANCE COMP	52 59 60 63	0
(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.	
FRANKLIN/TEMPLETON 94-3382187	REVENUE SHARING FORMULA - SEE ATTACHED	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
AMERICAN UNITED LIFE INSURANCE COMP	52 59 60 63	0
(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.	
FIDELITY 04-2270522	REVENUE SHARING FORMULA - SEE ATTACHED	

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
AMERICAN UNITED LIFE INSURANCE COMP	52 59 60 63	0
(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.	
BLACKROCK 32-0174431	REVENUE SHARING FORMULA - SEE ATTACHED	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
AMERICAN UNITED LIFE INSURANCE COMP	52 59 60 63	0
(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.	
AMERICAN FUNDS 95-1411037	REVENUE SHARING FORMULA - SEE ATTACHED	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
AMERICAN UNITED LIFE INSURANCE COMP	52 59 60 63	0
(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.	
AMERICAN CENTURY 20-2036524	REVENUE SHARING FORMULA - SEE ATTACHED	

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
AMERICAN UNITED LIFE INSURANCE COMP	52 59 60 63	0

(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.
ALLIANZ 13-3538489	REVENUE SHARING FORMULA - SEE ATTACHED

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
AMERICAN UNITED LIFE INSURANCE COMP	52 59 60 63	0

(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.
AB 13-4064930	REVENUE SHARING FORMULA - SEE ATTACHED

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
AMERICAN UNITED LIFE INSURANCE COMP	66 67	4072

(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.
AMERICAN UNITED LIFE INSURANCE COMP 35-0145825	ASSET CHARGE

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
(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

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:

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

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

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

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

SCHEDULE 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 2019 This Form is Open to Public Inspection
--	--	---

For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 06/01/2019		
A Name of plan SPECIALTY FURNISHINGS INC. 401K PROFIT SHARING PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 SPECIALTY FURNISHINGS INC.	D Employer Identification Number (EIN) 58-2299170	

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	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	1712	0
(2) Participant contributions.....	1b(2)	6835	0
(3) Other.....	1b(3)	25550	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	0	0
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other.....	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common.....	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property).....	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans.....	1c(8)	162623	0
(9) Value of interest in common/collective trusts	1c(9)	0	0
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(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)	1601017	0
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	8469	0
(15) Other.....	1c(15)	0	0

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	0	0
(2) Employer real property	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	1806206	0
Liabilities			
g Benefit claims payable	1g	0	0
h Operating payables	1h	0	0
i Acquisition indebtedness	1i	0	0
j Other liabilities	1j	39691	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	39691	0
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	1766515	0

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)	21223	
(B) Participants.....	2a(1)(B)	97110	
(C) Others (including rollovers)	2a(1)(C)	0	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		118333
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	0	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments.....	2b(1)(C)	0	
(D) Loans (other than to participants).....	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	2394	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		2394
(2) Dividends: (A) Preferred stock.....	2b(2)(A)	0	
(B) Common stock.....	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	0	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents.....	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds.....	2b(4)(A)	0	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)	0	
(B) Other	2b(5)(B)	0	
(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)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		204216
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		0
c Other income	2c		0
d Total income. Add all income amounts in column (b) and enter total	2d		324943

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	55205	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		55205
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions)	2g		0
h Interest expense	2h		0
i Administrative expenses: (1) Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	4901	
(3) Investment advisory and management fees	2i(3)	0	
(4) Other	2i(4)	0	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		4901
j Total expenses. Add all expense amounts in column (b) and enter total	2j		60106

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		264837
l Transfers of assets:			
(1) To this plan	2l(1)		0
(2) From this plan	2l(2)		2031352

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) ☐ Unmodified (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: CARR RIGGS & INGRAM LLC

(2) EIN: 72-1396621

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

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

Part IV Compliance Questions

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

During the plan year:

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

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

	Yes	No	Amount
4a	X		359308
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.)		X	
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.).....		X	
4d		X	
e Was this plan covered by a fidelity bond?	X		500000
4e	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
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?.....		X	
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?.....		X	
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.)		X	
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.)		X	
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?	X		
4k	X		
l Has the plan failed to provide any benefit when due under the plan?.....		X	
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	X		
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.	X		
4n	X		

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?..... ☒ Yes ☐ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year 0.

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)
HR STRATEGIES 401K PLAN	58-2268123	001

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 2019 This Form is Open to Public Inspection.
---	---	--

For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 06/01/2019

A Name of plan <u>SPECIALTY FURNISHINGS INC. 401K PROFIT SHARING PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>SPECIALTY FURNISHINGS INC.</u>	D Employer Identification Number (EIN) <u>58-2299170</u>

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

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>35-0145825</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	

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

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

Part III	Amendments
-----------------	-------------------

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

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

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

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

Schedule R (Form 5500) 2019
v. 190130

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

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

a The current year

b The plan year immediately preceding the current plan year

c The second preceding plan year

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

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

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

b The corresponding number for the second preceding plan year

15a**15b**

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

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

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

16a**16b**

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

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

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

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

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

Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate line 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

- 20 PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

- a** Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No

- b** If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation _____

**Specialty Furnishings, Inc.
401(k) Profit Sharing Plan**

**FINANCIAL STATEMENTS
(AND SUPPLEMENTAL SCHEDULE)**

August 19, 2019 (Date of Merger) and December 31, 2018



CRI CARR
RIGGS &
INGRAM
CPAs and Advisors

CRICpa.com

Specialty Furnishings, Inc. 401(k) Profit Sharing Plan
Table of Contents
August 19, 2019 (Date of Merger)

REPORT

Independent Auditors' Report	3
------------------------------	---

FINANCIAL STATEMENTS

Statements of Net Assets Available for Benefits as of August 19, 2019 (Date of Merger) and December 31, 2018	5
--	---

Statement of Changes in Net Assets Available for Benefits for the Period January 1, 2019 through August 19, 2019 (Date of Merger)	6
---	---

Notes to Financial Statements	7
-------------------------------	---

Supplemental Schedule

Schedule H, Line 4a – Schedule of Delinquent Participant Contributions	16
--	----

Note: Other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.



REPORT

INDEPENDENT AUDITORS' REPORT

To the Trustees of
Specialty Furnishings, Inc. 401(k) Profit Sharing Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Specialty Furnishings, Inc. 401(k) Profit Sharing Plan (the Plan), which comprise the statements of net assets available for benefits as of August 19, 2019 (Date of Merger) and December 31, 2018, and the related statement of changes in net assets available for benefits for the period January 1, 2019 through August 19, 2019 (Date of Merger), 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.

Auditors' Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL'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 3, which was certified by American United Life Insurance Company (AUL), the custodian of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan Administrator that the custodian holds the Plan's investment assets and executes investment transactions. The Plan Administrator has obtained a certification from the custodian as of August 19, 2019 (Date of Merger) and December 31, 2018, and for the period January 1, 2019 through August 19, 2019 (Date of Merger), that the information provided to the Plan Administrator by the custodian 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 on the financial statements. Accordingly, we do not express an opinion on these financial statements.

Emphasis of Matter

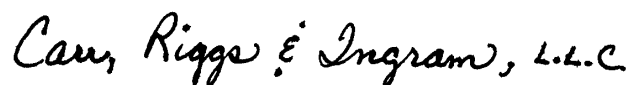
As described in Note 1 to the financial statements, the Plan merged into the HR Strategies 401(k) Plan effective August 19, 2019. All assets of the Plan were transferred to the HR Strategies 401(k) Plan. Our opinion is not modified with respect to that matter.

Other Matter

The supplemental Schedule of Delinquent Participant Contributions for the period January 1, 2019 through August 19, 2019 (Date of Merger) is required by the DOL'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's 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 DOL's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.



CARR, RIGGS & INGRAM, LLC

Atlanta, Georgia
March 29, 2020



FINANCIAL STATEMENTS



Specialty Furnishings, Inc. 401(k) Profit Sharing Plan
Statements of Net Assets Available for Benefits

August 19, 2019
(*Date of Merger*) December 31, 2018

Assets

Investments at fair value	\$	-	\$	1,609,486
---------------------------	----	---	----	-----------

Receivables

Notes receivable from participants	-	162,623
------------------------------------	---	---------

Employee contribution receivable	-	6,835
----------------------------------	---	-------

Employer contribution receivable	-	1,712
----------------------------------	---	-------

Other receivable	-	25,550
------------------	---	--------

Total receivables	-	196,720
-------------------	---	---------

Total assets	-	1,806,206
--------------	---	-----------

Liabilities

Corrective distributions payable	-	39,691
----------------------------------	---	--------

Net assets available for benefits	\$	-	\$	1,766,515
-----------------------------------	----	---	----	-----------

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

Specialty Furnishings, Inc. 401(k) Profit Sharing Plan Statement of Changes in Net Assets Available for Benefits

For the period ended August 19, (Date of Merger) **2019**

Additions

Net appreciation in value of investments	\$ 204,216
Interest income on notes receivable from participants	2,394
Contributions	
Employer	21,223
Participant	97,110
Total contributions	118,333
Total additions	324,943

Deductions

Benefits paid to participants	55,205
Administrative expenses	4,901
Total deductions	60,106

Net increase before transfers 264,837

Transfers out **(2,031,352)**

Net Assets Available for Benefits

Beginning of year	1,766,515
End of year	\$ -

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

Specialty Furnishings, Inc. 401(k) Profit Sharing Plan Notes to Financial Statements

NOTE 1: DESCRIPTION OF PLAN

The following description of the Specialty Furnishings, Inc. 401(k) Profit Sharing Plan (the Plan) provides only general information. Refer to the Plan document for a more complete description of Plan provisions.

General

The Plan is a defined contribution plan covering substantially all employees of Specialty Furnishings, Inc. (the Company), except for union employees and nonresident aliens. The Plan is subject to the provisions of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA). The Trustees of the Plan are responsible for oversight of the Plan and determine the appropriateness of the Plan's investment offerings and monitoring investment performance.

Effective August 19, 2019, the Plan merged into the HR Strategies 401(k) Plan and all assets of the Plan were transferred to the HR Strategies 401(k) Plan.

Prior to the Date of Merger, Plan assets were held and managed by AUL, which invested contributions and Plan earnings, made investment transactions as directed by the Trustees and provided certain recordkeeping services. AUL also performed certain plan administration and annual ERISA compliance testing.

Eligibility

Employees may become a participant of the Plan when they have reached six months of service and are age eighteen or older. An eligible employee may enter the Plan on the first day of each quarter after all entry requirements have been met.

Contributions

Each year, participants may contribute up to 100% of pretax annual compensation, as defined in the Plan. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans (i.e. rollover contributions). Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan includes an auto-enrollment provision whereby all newly eligible employees are automatically enrolled in the Plan unless they affirmatively elect not to participate in the Plan. Automatically enrolled participants have their deferral rate set at 2% of eligible compensation and their contributions invested in a designated balanced fund until changed by the participant.

The Company may make a discretionary matching contribution and/or a discretionary profit sharing contribution to the Plan in addition to any salary reduction contributions. The Company made a discretionary matching contribution of 25% of employee deferrals in the current period January 1, 2019 through August 19, 2019 (Date of Merger). No profit sharing contribution was made in this period. Contributions are subject to certain Internal Revenue Service (IRS) limitations.

Specialty Furnishings, Inc. 401(k) Profit Sharing Plan Notes to Financial Statements

NOTE 1: DESCRIPTION OF PLAN (Continued)

Participant Accounts

Each participant's account is credited with the participant's contributions and Company's matching contributions, as well as allocations of the Company's profit sharing contributions and Plan earnings. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are vested immediately in their contributions plus earnings thereon. Vesting in employer matching contributions and employer profit sharing contributions is based on years of continuous service, at 20% per year, beginning in the second year. A participant is 100% vested after six years of credited service. Participants become 100% vested in Company matching contributions and profit sharing contributions, regardless of the length of vesting service, if while employed by the Company, they attain the age of 65, become permanently disabled, or die.

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account and bear reasonable interest at rates established by the Company. Principal and interest is paid ratably through monthly payroll deductions.

Benefit Payments

On termination of employment, retirement, death, or permanent and total disability, a participant or beneficiary may elect to receive a lump-sum amount equal to the value of the participant's vested interest in his or her account unless the participant or beneficiary is receiving a required minimum distributions. If the account balance is less than \$5,000, the distribution shall be paid in the form of a lump-sum payment as soon as administratively feasible.

Forfeitures

Any amounts forfeited by participants are used by the Company to reduce future employer contributions. At August 19, 2019 (Date of Merger) and December 31, 2018, forfeited, non-vested accounts totaled \$0 and \$2,434, respectively. In 2019, employer contributions were reduced by \$3,196 and administrative expenses of \$463 were paid from forfeited non-vested accounts.

Specialty Furnishings, Inc. 401(k) Profit Sharing Plan Notes to Financial Statements

NOTE 1: DESCRIPTION OF PLAN (Continued)

Hardship Withdrawals

As permitted by the Internal Revenue Code (IRC), a participant may request a financial hardship withdrawal if they experience a severe financial hardship. The participant must meet the condition that they cannot relieve the amount of the need by stopping the elective contributions to the Plan. The financial hardship withdrawal may not exceed the amount of the financial hardship or the value of the vested portion of the participant's balance, whichever is less.

Transfers from Plan

Effective August 19, 2019, the Plan merged into the HR Strategies 401(k) Plan. The amount transferred of \$2,031,352 is reflected on the total transfer line item in the Statements of Changes in Net Assets Available for Benefits.

Assets transferred to HR Strategies 401(k) Plan include plan contributions through May 31, 2019, as contributions to HR Strategies 401(k) Plan began following June 1, 2019.

Recent Account Pronouncements

In August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement*. The guidance is effective for fiscal years beginning after December 15, 2019. Early adoption is permitted. The guidance modifies the disclosure requirements on fair value by removing some requirements, modifying others, adding changes in unrealized gains and losses included in other comprehensive income (loss) (OCI) for recurring Level 3 fair value measurements, and providing the option to disclose certain other quantitative information with respect to significant unobservable inputs in lieu of a weighted average. The Company is currently evaluating the impact of the guidance on its financial statements.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

Use of Estimates

The preparation U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Specialty Furnishings, Inc. 401(k) Profit Sharing Plan Notes to Financial Statements

NOTE 2: SUMMARY OF ACCOUNTING POLICIES (Continued)

Investment Valuation and Income Recognition

Investments generally are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for further discussion of fair value measurements.

The Plan Administrator determines the Plan's valuation policies utilizing information provided by the investment advisers, custodians and insurance company.

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

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of August 19, 2019 (Date of Merger) and December 31, 2018. If a participant ceases to make loan repayments and the Plan Administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded. At August 19, 2019 (Date of Merger) and December 31, 2018, there were no participant loans which were deemed benefit payments.

Other Receivables

As of December 31, 2018, an estimate of \$25,550 was recorded for deferral and match corrections, along with lost earnings, owed to the Plan by the Company due to plan compensation errors discovered in 2014, 2015, 2016, 2017, and 2018.

Excess Contribution Payable

Amounts payable to participants for contributions in excess of amounts allowed by the IRS are recorded as a liability with a corresponding reduction to contributions.

Payment of Benefits

Benefits are recorded when paid.

Specialty Furnishings, Inc. 401(k) Profit Sharing Plan Notes to Financial Statements

NOTE 2: SUMMARY OF ACCOUNTING POLICIES (Continued)

Expenses

Administrative costs paid by the Company include legal and accounting fees. Loan fees, which are charged to the participants' accounts, and certain consulting and administrative costs are paid by the Plan. Administrative expenses for the period January 1, 2019 through August 19, 2019 (Date of Merger) were \$4,901.

Risks and Uncertainties

The Plan invests in various investment securities. Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in value of investment securities will occur in the near term and that these changes could materially affect amounts reported in the Plan's financial statements.

NOTE 3: INFORMATION CERTIFIED BY THE CUSTODIAN (UNAUDITED)

The Plan Administrator has elected the method of compliance, as permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. The following financial information included in the Plan's financial statements has been derived from information certified to be complete and accurate by the custodian under such regulation:

- a) Total investments, at fair value, included in the statements of net assets available for benefits at August 19, 2019 (Date of Merger) and December 31, 2018.
- b) Investment income information included in the statement of changes in net assets available for benefits for the period January 1, 2019 through August 19, 2019 (Date of Merger).
- c) All amounts included in Note 4, Fair Value Measurements (Unaudited).

NOTE 4: FAIR VALUE MEASUREMENTS (UNAUDITED)

The Plan applies ASC 820, *Fair Value Measurements and Disclosures*, which establishes a framework for measuring fair value and expands disclosures about fair value measurements. The framework 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 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 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.

Specialty Furnishings, Inc. 401(k) Profit Sharing Plan Notes to Financial Statements

NOTE 4: FAIR VALUE MEASUREMENTS (UNAUDITED) (Continued)

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; or
- 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 August 19, 2019 (Date of Merger) and December 31, 2018.

Pooled Separate Account: Amounts allocated to a variable investment account within an AUL pooled separate account are credited to a participant's account in the form of accumulation units. The value of an accumulation unit of any investment account is determined at the close of each business day and is directly related to the net asset value of the shares of the underlying investment adjusted for any dividends or distributions received by AUL and the daily equivalent of any fee charged by AUL pursuant to the contract. The value of each accumulation unit is published each business day. Each investment account is invested by AUL exclusively in shares of a specific mutual fund or other investment entities as directed by the contract holder.

Specialty Furnishings, Inc. 401(k) Profit Sharing Plan Notes to Financial Statements

NOTE 4: FAIR VALUE MEASUREMENTS (UNAUDITED) (Continued)

Fixed Interest Account: Amounts allocated to the fixed interest account will earn interest at the higher of the rate guaranteed under the contract or the current rates established and declared in advance by AUL. Interest rates for new contributions are declared prior to the beginning of a calendar quarter and are applicable to all contributions received in that quarter until the end of the calendar year next following the current year. Each quarter's contributions and the corresponding interest rate are tracked together in a quarterly interest rate pocket (quarterly pocket). At the end of the calendar year next following the current year, the quarterly pockets established in the prior year are converted to an annual interest rate pocket (annual pocket) that is established and declared for each annual pocket and will remain in effect for at least that calendar year. The fixed interest account is backed by AUL's general account. The AUL general account is invested in a conservatively managed, well diversified portfolio consisting predominately of fixed-income investments (bonds, mortgages, and private placement) where the objective is to maximize long-term, risk-adjusted returns. The average interest rate being credited to assets in this investment as of December 31, 2018 was 1.38%.

The preceding methods 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 Administrator believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in different fair value measurements at the reporting date.

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

Description	Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3	Total
<i>December 31, 2018</i>				
Pooled separate account	\$ -	\$ 1,601,017	\$ -	\$ 1,601,017
Fixed interest account	-	8,469	-	8,469
Total investments at fair value	\$ -	\$ 1,609,486	\$ -	\$ 1,609,486

Change in Fair Value Levels

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

Specialty Furnishings, Inc. 401(k) Profit Sharing Plan Notes to Financial Statements

NOTE 4: FAIR VALUE MEASUREMENTS (UNAUDITED) (Continued)

Change in Fair Value Levels (Continued)

Management evaluated the significance of transfer between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits. For the period January 1, 2019 through August 19, 2019 (Date of Merger), there were no significant transfers in or out of Levels 1, 2 or 3.

NOTE 5: TAX STATUS

The Plan adopted the OneAmerica Financial Partners, Inc. Defined Contribution Volume Submitter Plan on January 1, 2015, which received an opinion letter dated March 31, 2014. The letter indicates that the Plan and related trust are designed in accordance with the applicable regulations of the IRC. Any employer adopting this form of the plan will be considered to have a plan qualified under the IRC. Although the prototype plan has been amended since receiving the opinion letter; the Plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC, and the Plan and related trust continue to be tax-exempt.

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

NOTE 6: RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments are shares of a pooled separate account and a fixed interest account with AUL. AUL is the custodian as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. Expenses of \$4,901 were paid to parties-in-interest in 2019.

NOTE 7: DELINQUENT PARTICIPANT CONTRIBUTIONS

During the period January 1, 2019 through August 19, 2019 (Date of Merger), the Company did not timely deposit \$4,828 of participant contributions within the timeframe required by Department of Labor regulations. During the years ended December 31, 2014, 2015, 2016, 2017 and 2018, the Company did not timely deposit certain participant contributions and loan repayments (aggregating \$354,480) within the timeframe required by Department of Labor regulations. As such, these late deposits are considered prohibited transactions. The Company intends to file a Form 5330 and pay any applicable excise tax. The excise tax payments will be made from the Plan Sponsor's assets and not from the assets of the Plan. In addition, participant accounts will be credited with an amount representing lost earnings related to these late remittances.



Specialty Furnishings, Inc. 401(k) Profit Sharing Plan Notes to Financial Statements

NOTE 8: PLAN TERMINATION

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

NOTE 9: SUBSEQUENT EVENTS

Management of the Plan evaluated all events or transactions that occurred after August 19, 2019 (Date of Merger), through March 29, 2020, the date the Plan's financial statements were available to be issued.



SUPPLEMENTAL SCHEDULE

Specialty Furnishings, Inc. 401(k) Profit Sharing Plan

EIN: 58-2299170 Plan # 001

Schedule H, Line 4a – Schedule of Delinquent Participant Contributions

August 19, 2019 (Date of Merger)

Participant Contributions Transferred Late To Plan		Total That Constitute Prohibited Nonexempt Transactions			Total Fully Corrected Under Voluntary Fiduciary Correction Program (VFCP) and Prohibited Transaction Exemption (PTE) 2002-51 *
Plan Year	Check Here If Late Participant Loan Repayments are Included	Contributions Not Corrected	Contributions Corrected Outside of VFCP *	Contributions Pending Correction in VFCP	
2019	☐	\$ -	\$ 4,828	\$ -	\$ -
2018	☒	-	354,480	-	-
		\$ -	\$ 359,308	\$ -	\$ -

* Contributions have been remitted to the Plan. Lost earnings are in the process of being remitted.

Schedule C Attachment for Line Item 3(e)

Plan Name **G35604 SPECIALTY FURNISHINGS INC. 401K PROFIT SHARING PLAN**
Plan Number **001** **Plan Year End** **6/1/2019**
EIN **58-2299170**

Revenue Sharing Formula:

The investment options of the Plan include various portfolios within an AUL separate account. The separate account in turn invests in investment portfolios of certain open-end management investment companies. AUL receives indirect compensation from these investment companies for the services provided by AUL.

The compensation received by AUL is computed by each investment company by multiplying the daily account balance of the AUL separate account's interest in a particular portfolio by a predetermined percentage rate negotiated with the investment company. This indirect compensation is not charged to the plan or participants accounts but is paid directly by the investment company.

The investment company, the underlying investment portfolio, and the annual compensation percentages are shown below.

Investment Company	Investment Portfolio	Annual Percentage
AB	AB 2010 Ret Strat R	0.60
AB	AB 2015 Ret Strat R	0.60
AB	AB 2020 Ret Strat R	0.60
AB	AB 2025 Ret Strat R	0.60
AB	AB 2030 Ret Strat R	0.60
AB	AB 2035 Ret Strat R	0.60
AB	AB 2040 Ret Strat R	0.60
AB	AB 2045 Ret Strat R	0.60
AB	AB 2050 Ret Strat R	0.60
ALLIANZ	AllianzGI NFJ Dividend Val R	0.75
ALLIANZ	AllianzGI NFJ SmCap Val R	0.65
AMERICAN CENTURY	AmerCent Strat Alloc Agrsv A	0.60
AMERICAN CENTURY	AmerCent Strat Alloc: Consv A	0.60
AMERICAN CENTURY	AmerCent Strat Alloc: Mod A	0.60
AMERICAN CENTURY	AmerCent Heritage A	0.60
AMERICAN CENTURY	AmerCent Vista A	0.60
AMERICAN FUNDS	AmerFds American Balanced R3	0.65
AMERICAN FUNDS	AmerFds Cap World Grth&Inc R3	0.65
AMERICAN FUNDS	AmerFds EuroPac Grth R3	0.65
AMERICAN FUNDS	AmerFds Fdamental Invs R3	0.65
AMERICAN FUNDS	AmerFds Grth Fd of America R3	0.65

Investment Company	Investment Portfolio	Annual Percentage
AMERICAN FUNDS	AmerFds Washington Mutual R3	0.65
BLACKROCK	BlackRck LifePth Idx 2015 CL95	0.60
BLACKROCK	BlackRck LifePth Idx 2020 CL95	0.60
BLACKROCK	BlackRck LifePth Idx 2025 CL95	0.60
BLACKROCK	BlackRck LifePth Idx 2030 CL95	0.60
BLACKROCK	BlackRck LifePth Idx 2035 CL95	0.60
BLACKROCK	BlackRck LifePth Idx 2040 CL95	0.60
BLACKROCK	BlackRck LifePth Idx 2045 CL95	0.60
BLACKROCK	BlackRck LifePth Idx 2050 CL95	0.60
BLACKROCK	BlackRck LifePth Idx 2055 CL95	0.60
BLACKROCK	BlackRck LifePth Idx 2060 CL95	0.60
BLACKROCK	BlackRck LifePth Idx Ret CL95	0.60
FIDELITY	Fidelity Adv Smcap M	0.75
FRANKLIN/TEMPLETON	Franklin Income R	0.65
INVESCO	Invesco Diversified Div A	0.50
JANUS HENDERSON	Jan Hen Forty R	0.75
JANUS HENDERSON	Jan Hen MidCap Val R	0.75
JANUS HENDERSON	Jan Hen Balanced R	0.75
MFS	MFS International Int Val R2	0.65
OAK RIDGE	North Square Oak Sm Cap Gr A	0.55
ONEAMERICA FUNDS	OneAmerica Asset Director Adv	0.30
OPPENHEIMER	InvOpp Intl Growth A	0.50
PIMCO	PIMCO Total Return R	0.60
PIONEER	Pioneer Bond A	0.60
PIONEER	Pioneer High Yield R	0.75
PRUDENTIAL	PGIM High-Yield A	0.55
STATE STREET GLOBAL	State St Russll SmCap Idx Cl I	0.62
STATE STREET GLOBAL	State St S&P Mid 400 Idx Cl A	0.62
STATE STREET GLOBAL	State St S&P 500 Idx Cl I	0.60
STATE STREET GLOBAL	State St Intl Idx Cl I	0.60

Plan Type 1 401PS

Specialty Furnishings, Inc.

CONSOLIDATED REVIEWED FINANCIAL STATEMENTS

December 31, 2019 and 2018



CRI CARR
RIGGS &
INGRAM

CPAs and Advisors

CRIcpa.com

Specialty Furnishings, Inc.
Table of Contents
December 31, 2019 and 2018

	Page
REPORT	
Independent Accountants' Review Report	1
FINANCIAL STATEMENTS	
Consolidated Balance Sheets	2
Consolidated Statements of Operations and Retained Earnings	4
Consolidated Statements of Cash Flows	5
Notes to Consolidated Financial Statements	6



REPORT

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Shareholders
Specialty Furnishings, Inc.

We have reviewed the accompanying consolidated financial statements of Specialty Furnishings, Inc. (the Company), which comprise the consolidated balance sheets as of December 31, 2019 and 2018, and the related consolidated statements of operations and retained earnings, and cash flows for the years then ended, and the related notes to the consolidated financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Company's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the consolidated financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 the consolidated financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibility

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the consolidated financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying consolidated financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Atlanta, Georgia
March 30, 2020



FINANCIAL STATEMENTS

Specialty Furnishings, Inc.
Consolidated Balance Sheets
(See Independent Accountants' Review Report)

<i>December 31,</i>	2019	2018
Assets		
Current assets		
Cash and cash equivalents	\$ 1,331,062	\$ 291,732
Finance accounts receivable	384,777	499,664
Inventory	2,229,558	2,471,300
Prepaid expenses	154,279	21,000
Due from related parties	45,722	45,722
Other receivables	14,917	-
Employee advances	5,620	4,617
Total current assets	4,165,935	3,334,035
Property and equipment, net	4,527,658	4,157,064
Other assets		
Security deposits	259,896	169,100
Investment property	79,264	79,264
Total assets	\$ 9,032,753	\$ 7,739,463

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

Specialty Furnishings, Inc.
Consolidated Balance Sheets (Continued)
(See Independent Accountants' Review Report)

<i>December 31,</i>	2019	2018
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable	\$ 1,490,861	\$ 1,778,504
Accrued expenses	285,582	182,934
Accrued payroll	263,152	271,677
Customer deposit liabilities	1,213,391	1,075,266
Line of credit	-	250,000
Due to related parties	27,401	77,401
Current portion of capital leases	60,636	120,496
Current portion of long-term debt	839,651	161,284
Total current liabilities	4,180,674	3,917,562
Long-term liabilities		
Capital leases, less current portion	39,695	51,232
Long-term debt, less current portion	291,587	433,139
Total long-term liabilities	331,282	484,371
Total liabilities	4,511,956	4,401,933
Shareholders' equity		
Common stock, \$1 par value 1,500 shares - authorized and outstanding	1,500	1,500
Paid in capital	287,474	287,474
Retained earnings	4,231,823	3,048,556
Total shareholders' equity	4,520,797	3,337,530
Total liabilities and shareholders' equity	\$ 9,032,753	\$ 7,739,463

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

Specialty Furnishings, Inc.
Consolidated Statements of Operations and Retained Earnings
(See Independent Accountants' Review Report)

<i>For the years ended December 31,</i>	2019	2018
Net sales	\$ 40,610,190	\$ 40,023,838
Cost of sales	22,809,915	22,558,510
Gross profit	17,800,275	17,465,328
Operating expenses	16,558,368	16,821,983
Income from operations	1,241,907	643,345
Interest expense	58,640	46,315
Net income	1,183,267	597,030
Retained earnings, beginning of year	3,048,556	2,831,526
Dividends	-	(380,000)
Retained earnings, end of year	\$ 4,231,823	\$ 3,048,556

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

Specialty Furnishings, Inc.
Consolidated Statements of Cash Flows
(See Independent Accountants' Review Report)

<i>Years ended December 31,</i>	2019	2018
Operating activities		
Net income	\$ 1,183,267	\$ 597,030
Adjustments to reconcile net income to net cash provided by (used in) operating activities		
Depreciation	604,482	633,976
Change in:		
Finance accounts receivable	114,887	(66,479)
Inventory	241,742	(400,701)
Prepaid expenses	(133,279)	(21,000)
Security deposits	(90,796)	(64,100)
Employee advances	(1,003)	(3,288)
Other receivables	(14,917)	-
Accounts payable	(287,643)	370,471
Accrued expenses	102,648	15,593
Accrued payroll	(8,525)	(22,377)
Due to related parties	(50,000)	24,381
Customer deposit liabilities	138,125	(41,984)
Net cash provided by (used in) operating activities	1,798,988	1,021,522
Investing activities		
Purchase of property and equipment	(975,076)	(1,041,018)
Net cash provided by (used in) investing activities	(975,076)	(1,041,018)
Financing activities		
Line of credit	(250,000)	250,000
Payments on capital leases	(71,397)	22,136
Proceeds from long-term debt	712,324	-
Payments on long-term debt	(175,509)	(172,340)
Dividends paid	-	(380,000)
Net cash provided by (used in) financing activities	215,418	(280,204)
Net increase (decrease) in cash and cash equivalents	1,039,330	(299,700)
Cash and cash equivalents at beginning of year	291,732	591,432
Cash and cash equivalents at end of year	\$ 1,331,062	\$ 291,732
Supplemental disclosures:		
Interest paid	\$ 58,640	\$ 46,315

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

Specialty Furnishings, Inc.
Notes to Consolidated Financial Statements
(See Independent Accountants' Review Report)

Note 1: DESCRIPTION OF THE BUSINESS

Specialty Furnishings, Inc. d/b/a Underpriced Furnishings (the Company) is an S Corporation incorporated under the laws of the state of Georgia in the United States of America. The Company is a discounted furniture store that offers high quality home furnishings at the lowest prices available in the metro Atlanta, Georgia area. In 2016, the Company formed MH Aero Services, LLC, which is a wholly-owned subsidiary of the Company.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements include the accounts of Specialty Furnishings, Inc. and its wholly-owned subsidiary (collectively, the Company). All significant intercompany balances and transactions have been eliminated.

The Company leases its premises and warehouse facilities from entities under common control considered to be variable interest entities (VIE'S), which require consolidation in the Company financial statements. In accordance with ASU 2014-07 *Consolidation of VIE's for Private Companies Accounting Alternatives* the Company has elected to apply the alternative accounting and disclosures for certain VIE's provided to private companies pursuant to accounting principles generally accepted in the United States of America.

Basis of Accounting

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

Use of Estimates

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the consolidated statements of cash flows, the Company considers demand deposits at banks, money market funds, and highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Finance Accounts Receivables

The Company uses finance companies to provide financing to pre-approved customers. Finance accounts receivable reflects amounts owed by the finance companies. As of December 31, 2019 and 2018, \$0 and \$217,067, respectively, is due from a related party, see Note 9.

The Company establishes an allowance for doubtful accounts based upon historical experience and nature of the receivables. No allowance is considered necessary as of December 31, 2019 and 2018.

Specialty Furnishings, Inc.
Notes to Consolidated Financial Statements
(See Independent Accountants' Review Report)

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventories

Inventories consist mainly of furniture, related parts and accessories. Inventories are stated at lower of cost or net realizable value using the average cost method. Due to the nature of the business, inventory consists primarily of finished goods.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. Depreciation is determined using straight-line methods over the estimated economic useful lives of the related assets. Maintenance and repairs are charged to expense as incurred; major renewals and betterments are capitalized. When items of property or equipment are sold or retired, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is included in income.

The components of property and equipment are as follows as of December 31, 2019 and 2018:

Class of Asset	Amortizable/ depreciable lives (in years)	2019	2018
Software and computer equipment	3-5	\$ 117,950	\$ 117,950
Machinery and equipment	5-7	2,234,093	2,097,256
Furniture and fixtures	5-7	1,239,133	1,204,260
Airplane	7	675,040	675,040
Leasehold improvements	10-18	4,550,711	4,518,746
Construction in Progress		763,819	-
		9,580,746	8,613,252
Less accumulated depreciation and amortization		(5,053,088)	(4,456,188)
Property and equipment, net		\$ 4,527,658	\$ 4,157,064

Depreciation expense for the years ended December 31, 2019 and 2018 was \$604,482 and \$633,976, respectively.

Construction in progress in the amount of \$763,819 as of December 31, 2019, represents costs incurred during the construction of a new warehouse and office facility that is expected to be completed during 2020.

Customer Deposit Liabilities

Customer deposit liabilities represent deposits made on future sales under layaway agreements to guarantee the price of the merchandise up to 90 days.

Specialty Furnishings, Inc.
Notes to Consolidated Financial Statements
(See Independent Accountants' Review Report)

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition

Revenue is recognized when performance obligations under the terms of the contracts with customers are satisfied. Prior to the adoption of Accounting Standards Codification 606, *Revenue from Contracts with Customers* (ASC 606), the Company recognized revenue when persuasive evidence of an arrangement existed, delivery of products had occurred, the sales price was fixed or determinable and collectability was reasonably assured.

Income Taxes

The Company, with the consent of its stockholders, made an election under Subchapter S of the Internal Revenue Code, whereby the Company is not subject to taxes on its income. Taxable income and losses of the Company pass directly to the stockholders for inclusion in their income tax returns. It is the Company's intention to make distributions to the stockholders for their tax liabilities resulting from such inclusion.

FASB ASC 740, *Income Taxes*, requires the use of a two-step approach for recognizing and measuring tax benefits taken or expected to be taken in a tax return and disclosures regarding uncertainties in income tax positions. Only tax positions that meet the more likely than not recognition threshold are recognized in accordance with ASC 740. Management does not believe that the Company has any material uncertain tax positions at December 31, 2019.

Fair Value of Financial Instruments

Fair values of financial instruments are estimated using relevant market information and other assumptions. Fair value estimates involve uncertainties and matters of significant judgment regarding interest rates, credit risk, prepayments, and other factors, especially in the absence of broad markets for particular items. Changes in assumptions or in market conditions could significantly affect these estimates.

Interest

Interest costs are charged to expense as incurred.

Advertising Costs

Advertising costs are expensed as incurred and included in operating expenses. For the years ended December 31, 2019 and 2018, advertising costs totaled \$2,388,310 and \$2,370,540 respectively.

Shipping and Handling Costs

Costs related to shipping and handling is included in cost of sales in the consolidated statements of operations and retained earnings.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, March 30, 2020. See Note 11 for relevant disclosures. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Specialty Furnishings, Inc.
Notes to Consolidated Financial Statements
(See Independent Accountants' Review Report)

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recent Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board (FASB) issued ASU 2014-09, *Revenue from Contracts with Customers* (Topic 606). This guidance specifies that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This ASU and its amendments supersede the revenue recognition requirements in Topic 605, *Revenue Recognition*, and most industry specific guidance.

Effective January 1, 2019, the Company adopted ASC 606, using the modified retrospective method. This method allows the standard to be adopted retrospectively through a cumulative adjustment recognized upon adoption. Therefore, the 2018 consolidated financial statements have not been restated and continue to be reported under the accounting standards in effect for that year. The change had no significant effect on the Company's consolidated financial statements for the year ended December 31, 2019 and, as a result, there was no adjustment due to the cumulative impact of adopting ASC 606.

Accounting Guidance Not Yet Adopted

In February 2016, the FASB issued ASU 2016-02, *Leases* (Topic 842). The guidance in this ASU and its amendments supersedes the leasing guidance in Topic 840, entitled *Leases*. Under the guidance, leases are required to recognize lease assets and lease liabilities on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of operations. For nonpublic entities, the standard is effective for fiscal years beginning after December 15, 2020. Early adoption is permitted. The Company is currently evaluating the impact of the guidance on its financial statements.

Note 3: CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially subject the Company to credit risk consist primarily of cash and cash equivalents and finance receivables. The Company maintains cash and cash equivalents with a large regional commercial bank. At times, such amounts may exceed federally insured limits. The Company has finance receivables owed by various third-party financing companies. To reduce risk, the Company routinely assesses the financial strength of the third-party financing companies and, as a consequence, believes that its finance receivable credit risk exposure is limited.

Note 4: LINE OF CREDIT

The Company maintains a revolving line of credit (the Line of Credit) with SunTrust Bank. The Company may borrow up to \$500,000 at any one time with accrued interest payable monthly and unpaid accrued interest and principal payable on the maturity date. The Line of Credit bears interest at Prime (4.75% at December 31, 2019) with a maturity date of July 31, 2021. The Line of Credit is collateralized by all of the assets of the Company. The line of credit had an outstanding balance of \$0 and \$250,000 as of December 31, 2019 and 2018, respectively.

Specialty Furnishings, Inc.
Notes to Consolidated Financial Statements
(See Independent Accountants' Review Report)

Note 5: LONG-TERM DEBT

Long-term debt at December 31, 2019 and 2018, consists of the following:

<i>For the years ended December 31,</i>	2019	2018
Promisory note with SunTrust to be paid in full plus accrued interest at the rate of LIBOR plus 2.5% on the maturity date of April 30, 2020. The term loan is secured by all of the Company's assets.	\$ 712,324	\$ -
Note payable for vehicle, requiring monthly payments of \$860, with an interest rate of 4.39% and a maturity date of September 18, 2021. The note is secured by the vehicle being purchased.	16,377	25,633
Note payable for vehicle, requiring monthly payments of \$1,715, with an interest rate of 2.90% and a maturity date of December 12, 2019. The note is secured by the vehicle being purchased.	-	20,249
Note payable for airplane, requiring monthly payments of \$5,619, with an interest rate of 4.50% and a maturity date of June 28, 2026. The note is secured by the airplane being purchased.	333,092	395,763
Term loan with SunTrust with monthly principal payments of \$6,944 plus accrued variable interest at Prime and a maturity date of October 10, 2020. Prime was 4.75% and 5.50% at December 31, 2019 and 2018, respectively. The term loan is secured by all of the Company's assets.	69,445	152,778
	1,131,238	594,423
Less current portion	(839,651)	(161,284)
Long-term portion	\$ 291,587	\$ 433,139

Specialty Furnishings, Inc.
Notes to Consolidated Financial Statements
(See Independent Accountants' Review Report)

Note 5: LONG-TERM DEBT (Continued)

Maturities of long-term debt subsequent to December 31, 2019, are as follows:

<i>For the year ending December 31,</i>		
2020	\$	839,651
2021		63,263
2022		58,349
2023		61,029
Thereafter		108,946
	\$	1,131,238

Note 6: COMMITMENTS AND CONTINGENCIES

Capital Lease Commitments

The Company leases forklifts and certain office equipment under agreements classified as capital leases. The capital leases have interest rates ranging from 4.25% to 12.82% with terms of 18-36 months, expiring in 2022. Assets with a cost of \$275,732 and accumulated depreciation of \$97,149 at December 31, 2019 and assets with a cost of \$304,598 and accumulated depreciation of \$132,870 at December 31, 2018, relate to capital leases and are included in property and equipment.

The future minimum lease payments under these capital leases and the net present value of the future minimum lease payments are as follows:

<i>For the year ending December 31,</i>		
2020	\$	60,636
2021		35,945
2022		9,241
Total minimum lease payments		105,822
Less interest		(5,491)
Present value of minimum lease payments		100,331
Less current maturities		(60,636)
Long-term portion of capital lease obligations	\$	39,695

Specialty Furnishings, Inc.
Notes to Consolidated Financial Statements
(See Independent Accountants' Review Report)

Note 6: COMMITMENTS AND CONTINGENCIES (Continued)

Operating Lease Commitments

The Company leases buildings for office and showroom space, delivery trucks, and certain office equipment through various operating leases. As of December 31, 2019, future net minimum lease payments required under non-cancellable operating leases are as follows:

<i>For the year ending December 31,</i>	
2020	\$ 1,403,736
2021	1,614,664
2022	1,563,879
2023	1,512,491
2024	1,479,954
Thereafter	14,056,963
	\$ 21,631,687

Rent expense for the years ended December 31, 2019 and 2018, was \$1,563,730 and \$1,542,895 respectively.

Contingencies

The Company has cash deposits with financial institutions, which fluctuate from time to time in excess of federally insured limits of \$250,000. If these financial institutions were not to honor their contractual liability, the Company could incur losses. Management is of the opinion that there is no risk of loss because of the financial strength of these financial institutions.

From time to time, the Company may have asserted and unasserted claims arising in the normal course of business. The Company does not expect losses, if any, arising from these asserted and unasserted claims to have a material effect on the consolidated financial statements.

Note 7: REVENUES

The Company recognizes revenue at a point in time upon delivery of goods to customers. The Company's method of recognizing revenue considers discounts and refunds provided, credits received and variable constraints in determining the timing and nature of the revenue to be recognized. The Company's customers consist of individuals purchasing furniture either on-line, in store or by phone.

Disaggregated Revenue

<i>For the years ended December 31,</i>	2019	2018
Furniture sales	\$ 38,589,265	\$ 38,057,415
Delivery fees	2,020,925	1,966,423
Total revenue	\$ 40,610,190	\$ 40,023,838

Specialty Furnishings, Inc.
Notes to Consolidated Financial Statements
(See Independent Accountants' Review Report)

Note 8: EMPLOYEE BENEFIT PLAN

The Company has a defined contribution profit sharing plan (the Plan) covering substantially all of the employees of the Company, meeting age and service requirements. Matching and profit sharing contributions to the Plan are at the discretion of management. The Company made a discretionary matching contributions of 25% of employee deferrals in 2019 and 2018 of \$78,427 and \$41,815, respectively. No profit sharing contribution was made in 2019 or 2018.

Note 9: CONCENTRATIONS

For the years ended December 31, 2019 and 2018, approximately \$8,082,000 and \$7,066,000 of cost of sales was from one third party vendor, respectively. For the years ended December 31, 2019 and 2018, this third party vendor comprised 35% and 31% of cost of sales, respectively.

Note 10: RELATED PARTY TRANSACTIONS

At December 31, 2019 and 2018, the Company had a note receivable of \$45,722 from a shareholder, due on demand. At December 31, 2019 and 2018, there is a note payable of \$27,401 and \$77,401, respectively, to a shareholder, due on demand. No interest is accrued on these related party note receivable and payable.

As of December 31, 2019 and 2018, \$0 and \$217,067, respectively, of finance receivables is due from a finance company partially owned by the shareholders, see Note 2.

The Company leases the warehouse and showroom properties from related parties. Rent paid to the related parties for the years ended December 31, 2019 and 2018, was \$1,295,664 and \$1,276,100, respectively.

The Company leases its office space and warehouse facilities under operating leases from 1030 Norcross, LLC, 6700 Dawson Boulevard, LLC and 6692 Dawson Boulevard, LLC (Lessors), which are primarily owned by the shareholders of the Company (see Note 6).

The Company and its shareholders have each guaranteed the Lessors' mortgages that financed the purchase of the land and buildings. Lessors' mortgage loans have a remaining principal balance of \$6,387,773 and \$4,813,665 at December 31, 2019 and 2018, respectively. At the time the Company entered into the guarantees, the value of the office buildings exceeded the principal amount of the debts.

In regards to these leases and Lessors, the Company has elected to apply the alternative accounting and disclosures for certain variable interest entities provided to private companies pursuant to generally accepted accounting principles (see Note 2).

Specialty Furnishings, Inc.
Notes to Consolidated Financial Statements
(See Independent Accountants' Review Report)

Note 11: SUBSEQUENT EVENTS

Management evaluated all events or transactions that occurred after December 31, 2019 through March 30, 2020, the date the Company's financial statements were available to be issued. The following occurred:

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, uncertainties have arisen that may have a significant negative impact on the operating activities and results of the Company. The occurrence and extent of such an impact will depend on future developments, including (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain.