

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
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Part I	Annual Report Identification Information
For calendar plan year 2019 or fiscal plan year beginning <u>01/01/2019</u> and ending <u>12/31/2019</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>SARCHIONE AUTO GROUP 401(K) & 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>01/01/2018</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>01/01/2018</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>01/01/2018</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>SARCHIONE AUTO GROUP, LTD</u> <u>22155 STATE ROUTE 62</u> <u>ALLIANCE, OH 44601</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>45-2519004</u></td> </tr> <tr> <td>2c Plan Sponsor's telephone number <u>330-614-0361</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>441110</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>45-2519004</u>	2c Plan Sponsor's telephone number <u>330-614-0361</u>	2d Business code (see instructions) <u>441110</u>	
2b Employer Identification Number (EIN) <u>45-2519004</u>					
2c Plan Sponsor's telephone number <u>330-614-0361</u>					
2d Business code (see instructions) <u>441110</u>					

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	08/05/2020	ADAM WARREN
	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	5 140
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) 137 6a(2) 120 6b 0 6c 5 6d 125 6e 0 6f 125 6g 30 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 2T 3D 3H b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	

9a Plan funding arrangement (check all that apply) (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
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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)** ☐ 0 **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 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 12/31/2019		
A Name of plan SARCHIONE AUTO GROUP 401(K) & PROFIT SHARING PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 SARCHIONE AUTO GROUP, LTD	D Employer Identification Number (EIN) 45-2519004	

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)		
(2) Participant contributions.....	1b(2)	4858	1593
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	125367	246509
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:		
(1)	Employer securities	1d(1)	
(2)	Employer real property	1d(2)	
e	Buildings and other property used in plan operation	1e	
f	Total assets (add all amounts in lines 1a through 1e)	1f	130225 248102
Liabilities			
g	Benefit claims payable	1g	
h	Operating payables	1h	
i	Acquisition indebtedness	1i	
j	Other liabilities	1j	1100 0
k	Total liabilities (add all amounts in lines 1g through 1j)	1k	1100 0
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	129125 248102

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.

		(a) Amount	(b) Total
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A)	
	(B) Participants	2a(1)(B)	130376
	(C) Others (including rollovers)	2a(1)(C)	
(2)	Noncash contributions	2a(2)	
(3)	Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)	130376
b	Earnings on investments:		
(1)	Interest:		
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	
	(B) U.S. Government securities	2b(1)(B)	
	(C) Corporate debt instruments	2b(1)(C)	
	(D) Loans (other than to participants)	2b(1)(D)	
	(E) Participant loans	2b(1)(E)	
	(F) Other	2b(1)(F)	
	(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)	0
(2)	Dividends: (A) Preferred stock	2b(2)(A)	
	(B) Common stock	2b(2)(B)	
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	8762
	(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)	8762
(3)	Rents	2b(3)	
(4)	Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	
	(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)	0
(5)	Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	
	(B) Other	2b(5)(B)	
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)	0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		26090
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		165228

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	45571	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		45571
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)	680	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		680
j Total expenses. Add all expense amounts in column (b) and enter total	2j		46251

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		118977
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ 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: **PACKER THOMAS**

(2) EIN: **34-1667340**

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		2875
4b		X	

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

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

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

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

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

Since 1923

PACKER THOMAS

Certified Public Accountants & Business Consultants

Proven TRUE

SARCHIONE AUTO GROUP 401(K) & PROFIT SHARING PLAN

AUDIT OF FINANCIAL STATEMENTS

Years ended
December 31, 2019 and 2018

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REPORT OF INDEPENDENT AUDITORS

PLAN ADMINISTRATOR
SARCHIONE AUTO GROUP 401(k) &
PROFIT SHARING PLAN

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Sarchione Auto Group 401(k) & Profit Sharing Plan, which comprise the statements of net assets available for benefits as of December 31, 2019 and 2018 and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note C, which was certified by Capital Bank and Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2019 and 2018, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

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

Other Matter

The supplemental schedule of assets (held at end of year) as of December 31, 2019 and schedule of delinquent participant contributions are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedules referred to above.

Report on Form and Content in Compliance With DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

A handwritten signature in black ink that reads "Rachel Thomas". The signature is written in a cursive, flowing style.

Canfield, Ohio
July 7, 2020

Sarchione Auto Group 401(K) & Profit Sharing Plan

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

	December 31,	
	2019	2018
ASSETS		
Investments at fair value:		
Mutual funds	\$ 246,509	\$ 125,367
Receivables:		
Participant contributions	1,593	4,858
TOTAL ASSETS	248,102	130,225
LIABILITIES		
Accounts payable	-	1,100
NET ASSETS AVAILABLE FOR BENEFITS	\$ 248,102	\$ 129,125

Sarchione Auto Group 401(K) & Profit Sharing Plan
STATEMENT OF CHANGES IN NET ASSETS
AVAILABLE FOR BENEFITS

	Years ended December 31,	
	2019	2018
ADDITIONS		
Investment income (loss):		
Interest and dividends	\$ 8,762	\$ 4,879
Net realized and unrealized appreciation (depreciation) in fair value of investments	26,090	(14,661)
Total investment income (loss)	34,852	(9,782)
Contributions:		
Participant	130,376	141,299
TOTAL ADDITIONS	165,228	131,517
DEDUCTIONS		
Benefits paid to participants	45,571	1,763
Administrative expenses	680	629
TOTAL DEDUCTIONS	46,251	2,392
NET CHANGE	118,977	129,125
NET ASSETS AVAILABLE FOR BENEFITS AT BEGINNING OF YEAR	129,125	-
NET ASSETS AVAILABLE FOR BENEFITS AT END OF YEAR	\$ 248,102	\$ 129,125

Sarchione Auto Group 401(K) & Profit Sharing Plan

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

NOTE A - DESCRIPTION OF PLAN

The following brief description of Sarchione Auto Group 401(K) & Profit Sharing Plan ("the Plan") is provided for general information purposes only. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan, which began January 1, 2018, is a defined contribution 401(k) profit sharing plan covering substantially all employees of Sarchione Auto Sales, LTD., Sarchione Ford, Inc., Sarchione Chevrolet, Inc., Sarchione and Sons Ford, Inc. and Sarchione Ford Lincoln of Alliance who have reached 21 years of age. Employees become eligible to participate upon completion of one (1) year of service and at least 1,000 hours of service beginning with the employee's date of hire. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions

The Plan permits eligible employees to voluntarily contribute to the plan through pre-tax salary deferrals and Roth deferrals subject to annual limits set by law. Participants may contribute up to \$19,000 for 2019 and \$18,500 for 2018 with participants over age 50 eligible to contribute an additional \$6,000 of deferred compensation earned while a participant under the Plan. In addition, the Company, at its discretion, may contribute a share of its net profits to the Plan as determined by the Company's board of directors.

Rollover contributions from other Plans are accepted, providing certain specified conditions are met.

Plan Assets

The Plan's assets consist of mutual fund accounts maintained by Capital Bank and Trust Company.

Participant Accounts

Each participant's account is credited with the participant's contributions, an allocation of the Company's discretionary contribution, the Plan earnings and losses and administrative expenses. Allocations of the Plan's earnings and losses are based on the proportion that each participant's account bears to the total of all participant accounts. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

The Company's discretionary contributions are allocated based on a percentage of wages to participants who were actively employed on the last day of the plan year and who have one year of participation. During the year ended December 31, 2019 and 2018, no discretionary contributions were made by the Company.

Vesting

Participants are immediately vested in their voluntary contributions plus actual earnings thereon. Graduated vesting in the employer's discretionary contribution portion of their accounts plus actual earnings thereon is based on years of continuous service. Participant profit sharing contributions are 100% vested after six (6) years of credited service.

Forfeitures

Forfeitures are applied to reduce employer contributions and can be used to pay any administrative expenses.

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

NOTE A - DESCRIPTION OF PLAN (continued)

Payment of Benefits

Upon termination of service, termination of the Plan, termination of employer's business, or upon attainment of age 59 ½ by the participant, a participant may receive a lump sum, partial withdrawals or installments permitted for required minimum distributions under Code Section 401(a)(9).

Hardship Withdrawals

Hardship withdrawals are permitted in accordance with Internal Revenue Service guidelines.

Plan Termination

Although it has not expressed any intention to do so, the Company has the right 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 become fully vested in their accounts.

Participants' Loans

Participants may not borrow from the Plan.

Investment Options

Participants are responsible for making their investment decisions and may direct contributions in a number of the investment options offered by the Plan.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared using the accrual method of accounting.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (GAAP) requires the plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of changes in net assets during the reporting period. Actual results could differ from those estimates.

Investment Valuation

Investments are reported at fair value by Capital Bank and Trust Company. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note D for discussion of fair value measurements.

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

Payment of Benefits

Benefits are recorded when paid.

Administrative Expenses

Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Investment related expenses are included in the net appreciation of fair value of investments.

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

NOTE C – INFORMATION CERTIFIED BY THE PLAN’S TRUSTEE

All investment information disclosed in the accompanying financial statements and supplemental schedules, including investments held at December 31, 2019 and 2018 and net change in investment income and expenses for the year ended December 31, 2019 and 2018, was obtained or derived from information supplied to the plan administrator and certified as complete and accurate by the Plan’s trustee, Capital Bank and Trust Company.

NOTE D - FAIR VALUE MEASUREMENTS

Financial accounting standards establish a framework for measuring fair value. That 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 are described as follows:

Level 1 fair values are based on unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 fair value inputs are based on inputs other than quoted prices within Level 1 that are observable for the asset, either directly or indirectly. Observable inputs include quoted market prices in active markets for similar assets, quoted prices in markets that are not active for identical or similar assets and other market observable inputs such as interest rate, credit spread and foreign currency exchange rates observable in the marketplace or derived from market transactions.

Level 3 fair values are based on at least one significant unobservable input for the asset. Level 3 securities contain unobservable market inputs and as a result considerable judgment may be used in determining the fair values.

Following is a description of the valuation methodologies used for investments measured at fair value.

Mutual funds: Valued at quoted market prices on the last business day of the Plan year.

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

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

NOTE D - FAIR VALUE MEASUREMENTS (continued)

The following table set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2019.

	Assets Measured at Fair Value at December 31, 2019 on a Recurring Basis			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 246,509	\$ -	\$ -	\$ 246,509
Total assets in fair value hierarchy	\$ 246,509	\$ -	\$ -	\$ 246,509

	Assets Measured at Fair Value at December 31, 2018 on a Recurring Basis			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 125,367	\$ -	\$ -	\$ 125,367
Total assets in fair value hierarchy	\$ 125,367	\$ -	\$ -	\$ 125,367

NOTE E - FORFEITURES

There are no forfeited nonvested accounts as of December 31, 2019 and 2018 to be applied to reduce employer matching contributions for the year ending December 31, 2020.

NOTE F - TAX STATUS

The Plan obtained its determination letter in January 1, 2018, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code. Accordingly, no provision for income taxes has been included in the Plan's financial statements.

NOTE G - PARTY-IN-INTEREST TRANSACTIONS

Certain parties provide services or have fiduciary responsibilities to the Plan, including the Plan Sponsor. These services are parties-in-interest transactions. The Plan also invested in certain mutual funds which are owned and managed by the Trustee. These transactions also qualify as party-in-interest transactions

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

NOTE H - RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

NOTE I - SUBSEQUENT EVENTS

The Plan has evaluated all subsequent events through July 7, 2020, the date the financial statements were available to be issued. Subsequent to year end, the outbreak of the COVID-19 virus created a public health emergency disrupting business activities at all levels. As a result, economic uncertainties have arisen which are likely to negatively impact future operating results. However, the related financial impact and duration cannot be reasonably estimated at this time.

Sarchione Auto Group 401(K) & Profit Sharing Plan
SCHEDULE H, LINE 4a - SCHEDULE OF DELINQUENT
PARTICIPANT CONTRIBUTIONS

EIN: 45-2519004

Plan Number: 001

December 31, 2019

Participant Contributions Transferred Late to Plan	Actual Date Remitted	Check Here if Late Participant Loan Repayments are Included: ☐	Total that Constitute Nonexempt Prohibited Transactions			
			Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	Total Fully Corrected Under VFCP and PTE 2002-51
Pay Date March 6, 2018	September 30, 2019	\$ -	\$ -	\$ 3,146	\$ -	\$ -
Pay Date August 2, 2018	September 30, 2019	-	-	203	-	-
Pay Date September 5, 2018	September 30, 2019	-	-	185	-	-
Pay Date February 5, 2019	March 5, 2019	-	-	2,875	-	-
TOTALS		\$ -	\$ -	\$ 6,409	\$ -	\$ -

Sarchione Auto Group 401(K) & Profit Sharing Plan
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS
(HELD AT END OF YEAR)

EIN: 45-2519004

Plan Number: 001

December 31, 2019

(a)	(b) Identity of Issuer, Borrower, Lessor, or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	(e) Current Value
*	Capital Bank and Trust Company	Washington Mutual Investors Fund	\$ 5,410
*	Capital Bank and Trust Company	AMCAP Fund	14,339
*	Capital Bank and Trust Company	Investment Company of America	5,205
*	Capital Bank and Trust Company	American Funds 2025 Target Date Retirement Fund	39,281
*	Capital Bank and Trust Company	American Funds 2030 Target Date Retirement Fund	24,777
*	Capital Bank and Trust Company	American Funds 2035 Target Date Retirement Fund	38,902
*	Capital Bank and Trust Company	American Funds 2040 Target Date Retirement Fund	28,230
*	Capital Bank and Trust Company	American Funds 2045 Target Date Retirement Fund	46,889
*	Capital Bank and Trust Company	American Funds 2050 Target Date Retirement Fund	23,892
*	Capital Bank and Trust Company	American Funds 2055 Target Date Retirement Fund	5,164
*	Capital Bank and Trust Company	American Funds 2060 Target Date Retirement Fund	13,547
*	Capital Bank and Trust Company	The Bond Fund of America	342
*	Capital Bank and Trust Company	Europacific Growth Fund	210
*	Capital Bank and Trust Company	New World Fund	219
*	Capital Bank and Trust Company	Capital World Bond Fund	39
*	Capital Bank and Trust Company	Small Cap World Fund	63
TOTAL INVESTMENTS			\$ 246,509

* Party-in-interest