

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). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 1.5em; font-weight: bold;">2019</div> 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>10/31/2019</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>ALEXANDER LUMBER CO. RETIREMENT 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>12/31/1963</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>12/31/1963</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>12/31/1963</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>ALEXANDER LUMBER CO.</u> <u>PO BOX 831</u> <u>AURORA, IL 60507</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>36-0715495</u></td> </tr> <tr> <td>2c Plan Sponsor's telephone number <u>630-844-5123</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>444190</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>36-0715495</u>	2c Plan Sponsor's telephone number <u>630-844-5123</u>	2d Business code (see instructions) <u>444190</u>	
2b Employer Identification Number (EIN) <u>36-0715495</u>					
2c Plan Sponsor's telephone number <u>630-844-5123</u>					
2d Business code (see instructions) <u>444190</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.	08/17/2020	THOMAS S ALEXANDER
	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

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Form 5500 (2019)
v. 190130

3a Plan administrator's name and address ☐ Same as Plan Sponsor THOMAS S ALEXANDER POBOX 831 AURORA, IL 60507	3b Administrator's EIN 36-0715495 3c Administrator's telephone number 630-844-5123 <div style="background-color: #cccccc; height: 40px;"></div>
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	5 427
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	<div style="background-color: #cccccc; height: 20px; margin-bottom: 5px;"></div> 6a(1) 85 6a(2) 0 6b 6c 6d 0 6e 6f 0 6g 6h
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: 1A 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) ☐ **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) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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.	<small>OMB No. 1210-0110</small> 2019 This Form is Open to Public Inspection
For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 10/31/2019		
A Name of plan ALEXANDER LUMBER CO. RETIREMENT PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 ALEXANDER LUMBER CO.	D Employer Identification Number (EIN) 36-0715495	

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
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 Total noninterest-bearing cash	1a			
b Receivables (less allowance for doubtful accounts):				
(1) Employer contributions.....	1b(1)	901000		
(2) Participant contributions.....	1b(2)			
(3) Other.....	1b(3)	1013		
c General investments:				
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	682417		
(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)			
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)			
(15) Other.....	1c(15)	27446680		

		(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	29031110
Liabilities			
g	Benefit claims payable	1g	
h	Operating payables	1h	
i	Acquisition indebtedness	1i	
j	Other liabilities	1j	
k	Total liabilities (add all amounts in lines 1g through 1j)	1k	
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	29031110

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)	7500
	(B) Participants	2a(1)(B)	
	(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)	7500
b	Earnings on investments:		
(1)	Interest:		
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	77492
	(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)	77492
(2)	Dividends: (A) Preferred stock	2b(2)(A)	
	(B) Common stock	2b(2)(B)	0
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	
	(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)	0
(3)	Rents	2b(3)	
(4)	Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	62909708
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	60397931
	(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)	2511777
(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)	

		(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)		
c Other income	2c		500990
d Total income. Add all income amounts in column (b) and enter total	2d		3097759

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	12308871	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)	19792689	
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		32101560
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)	23253	
(2) Contract administrator fees	2i(2)	4056	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		27309
j Total expenses. Add all expense amounts in column (b) and enter total	2j		32128869

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-29031110
l Transfers of assets:			
(1) To this plan	2l(1)		0
(2) From this plan	2l(2)		0

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: PASQUESI SHEPPARD LLC

(2) EIN: 36-4049282

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	
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)
PRINCIPAL LIFE INSURANCE COMPANY	42-0127290	002

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 4161328. (See instructions.)

<div>SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Retirement Plan Information</div> <div>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).</div> <div>▶ File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2019</div> <div>This Form is Open to Public Inspection.</div>
For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 10/31/2019		
A Name of plan ALEXANDER LUMBER CO. RETIREMENT PLAN		B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 ALEXANDER LUMBER CO.		D Employer Identification Number (EIN) 36-0715495
Part I	Distributions	
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions		1
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 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		3 155
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 _____

PASQUESI
SHEPPARD LLC

ACCOUNTANTS AND CONSULTANTS

**ALEXANDER LUMBER CO.
RETIREMENT PLAN**

**FINANCIAL STATEMENTS
OCTOBER 31, 2019 AND DECEMBER 31, 2018**

TOGETHER WITH INDEPENDENT AUDITOR'S REPORT

**Employer Identification Number
36-0715495**

Plan No. 001

ALEXANDER LUMBER CO.

RETIREMENT PLAN

FINANCIAL STATEMENTS AND NOTES (IN LIQUIDATION)

OCTOBER 31, 2019 AND DECEMBER 31, 2018 (AS RESTATED)

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INDEPENDENT AUDITOR'S REPORT

TO THE PLAN ADMINISTRATOR OF
ALEXANDER LUMBER CO. RETIREMENT PLAN

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of ALEXANDER LUMBER CO. RETIREMENT PLAN, which comprise the Statements of Net Assets in Liquidation Available for Benefits as of October 31, 2019 and December 31, 2018 (as restated), the related Statements of Changes in Net Assets in Liquidation 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 (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by Bank of America, N.A., the Trustee of the Plan, except for comparing such 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 October 31, 2019 and December 31, 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.

Emphasis of Matter – Plan Termination

As further discussed in Note 2 to the financial statements, the Board of Directors of Alexander Lumber Co. made a decision to terminate the ALEXANDER LUMBER CO. RETIREMENT PLAN, and management determined liquidation is imminent. As a result, the statements of ALEXANDER LUMBER CO. RETIREMENT PLAN are presented on the liquidation basis of accounting. Our disclaimer of opinion is not modified with respect to this matter.

Restatement of financial statements

Without modifying our opinion, we draw attention to Note 9 to the financial statements, which explains that the financial statements for the year ended December 31, 2018, have been restated from those which we originally reported on October 1, 2019.

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, 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 ERISA.

Pasquesi Sheppard LLC

Pasquesi Sheppard LLC
Lake Forest, IL
August 13, 2020

ALEXANDER LUMBER CO.

RETIREMENT PLAN

STATEMENTS OF NET ASSETS IN LIQUIDATION AVAILABLE FOR BENEFITS

OCTOBER 31, 2019 AND DECEMBER 31, 2018 (AS RESTATED)

	2019	2018 (As restated)
ASSETS:		
Investments, at fair value —		
Money market funds	\$ -	\$ 682,417
Exchange traded funds	-	27,446,680
Total investments	-	28,129,097
Receivables —		
Contributions receivable	-	901,000
Accrued interest receivable	-	1,013
Total receivables	-	902,013
Total net assets in liquidation available for benefits	\$ -	\$ 29,031,110

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

ALEXANDER LUMBER CO.

RETIREMENT PLAN

STATEMENTS OF CHANGES IN NET ASSETS IN LIQUIDATION AVAILABLE FOR BENEFITS

FOR THE YEARS ENDED OCTOBER 31, 2019 AND DECEMBER 31, 2018 (AS RESTATED)

	2019	2018 (As restated)
ADDITIONS TO NET ASSETS ATTRIBUTED TO:		
Investment income —		
Net appreciation (depreciation) in fair value of investments	\$ 2,511,777	\$ (3,018,141)
Interest	77,492	8,904
Dividends	494,752	1,211,153
Capital gain distributions and other income	6,238	1,242
Total investment income (loss)	3,090,259	(1,796,842)
Employer contributions	7,500	901,000
Total additions to (deductions from) net assets	3,097,759	(895,842)
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Benefits paid to participants	12,308,871	1,550,894
Payment to insurance company to purchase annuity premiums	19,792,689	-
Administrative fees	27,309	85
Total deductions from net assets	32,128,869	1,550,979
NET DECREASE	(29,031,110)	(2,446,821)
NET ASSETS AVAILABLE FOR BENEFITS:		
Beginning of year	29,031,110	31,477,931
End of year	\$ -	\$ 29,031,110

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

ALEXANDER LUMBER CO.

RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS (IN LIQUIDATION)

OCTOBER 31, 2019 AND DECEMBER 31, 2018 (AS RESTATED)

(1) DESCRIPTION OF THE PLAN:

The Alexander Lumber Co. Retirement Plan (the Plan), as amended and restated, was originally established in 1963 and was a noncontributory, defined benefit retirement plan covering all eligible employees of Alexander Lumber Co. (the Company). On October 2, 2017, the Board of Directors of the Company adopted a resolution to terminate the Plan effective December 31, 2017 (effective date). See Note 2, Liquidation Basis of Accounting, for a description of the Plan's liquidation procedures, as well as methods and significant assumptions used to measure assets and liabilities prior to complete liquidation.

The Plan received a favorable determination letter from the Internal Revenue Service (IRS) dated February 21, 2019, stating that the Plan termination did not affect its qualification for federal tax purposes. As a result, the Plan proceeded with its plan to terminate and was fully liquidated as of October 31, 2019. As of the report date, there are no assets remaining in the Plan, all liabilities have been settled, and all benefit obligations have been met.

Trustee -

Bank of America, N.A. served as Trustee of the Plan and managed the Plan's investment assets until full liquidation.

Pension Benefits -

As of the Plan termination effective date, individual benefits were frozen and all benefits ceased to accrue. Subject to the terms of the Plan and in connection with the termination of the Plan, all active participants became fully vested in their Plan benefit as of the effective date. In addition, due to the termination, participants who were not yet eligible to commence their benefits received a one-time opportunity to elect to begin payment. Active and terminated employees who were not yet receiving benefits from the Plan, with a Plan benefit that had a lump sum value of more than \$5,000, had the opportunity to elect to receive the value of their benefit as a single lump sum payment or as a monthly annuity, paid shortly after the election period, even if currently employed. If the lump sum payment was not elected, the benefit obligation was to be transferred to a qualified insurance company upon liquidation and benefits would be paid out as a monthly annuity in accordance with the Plan provisions. If the Plan benefit had a lump sum value of \$5,000 or less, it was automatically paid in the form of a single lump sum. Individuals who were already receiving monthly benefits from the Plan did not have the option to receive a lump sum payout. Their benefits were transferred to an insurance company, who assumed the monthly pension benefit payments after full liquidation.

ALEXANDER LUMBER CO.

RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS (IN LIQUIDATION)

OCTOBER 31, 2019 AND DECEMBER 31, 2018 (AS RESTATED)

Funding Policy –

The Plan's funding policy was for the Company to contribute an amount which would meet or exceed the annual ERISA minimum funding requirement. The Company made contributions to the Plan as determined in accordance with accepted actuarial principles, which were based upon actuarial cost studies performed by the Plan's actuaries. The Company was required to make contributions to the Plan of \$901,000 to make the Plan sufficient to settle all Plan liabilities. This contribution was made in 2019; however, as required under the liquidation basis of accounting, this contribution was recorded as a receivable at December 31, 2018. During final liquidation procedures, the Company had to contribute an additional \$7,500 in order to meet its benefit obligation and fully liquidate the Plan.

The Company's contributions and prior year credits applied for the Plan years ended October 31, 2019 and December 31, 2018, equaled or exceeded the minimum funding requirements of the ERISA and the Pension Protection Act of 2006.

Administration of the Plan –

The Trustee administered the Plan's assets, together with the income therefrom. Expenses incurred by the Trustee in the performance of its duties under this agreement, including fees for its services, were paid by the Company.

(2) SIGNIFICANT ACCOUNTING POLICIES:

Basis of Accounting –

The accompanying financial statements of the Plan have been prepared using accrual basis of accounting in accordance with U.S. generally accepted accounting principles (GAAP).

Liquidation Basis of Accounting –

On October 2, 2017, the Board of Directors of the Company consented to, approved, and adopted a resolution to terminate the Plan effective December 31, 2017. The Plan document expressly reserves to the Company the right to do so. The Company notified the Trustee of the termination and filed such information as may be necessary with the IRS and the Pension Benefit Guaranty Corporation (PBGC) to obtain approval that the method of allocation and distribution of assets held with respect to the Plan met all of the requirements of the Internal Revenue Code (IRC) of 1986, as amended, and all other applicable laws and regulations. A favorable determination was received from the IRS. As a result, the Company proceeded with its plan to terminate. The Plan adopted the liquidation basis of accounting once the liquidation and dissolution of the Plan was deemed imminent.

ALEXANDER LUMBER CO.

RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS (IN LIQUIDATION)

OCTOBER 31, 2019 AND DECEMBER 31, 2018 (AS RESTATED)

Under the liquidation basis of accounting, assets and liabilities should be measured to reflect the estimated amount of cash or other consideration expected to be collected or paid in settling or disposing of such assets or liabilities in the process of carrying out the plan of liquidation. Amounts estimated to be collected by disposing of the Plan assets approximated fair value; therefore, the Plan's assets were stated at fair value at December 31, 2018. The Plan's assets were comprised of investments in exchange-traded bond funds, as well as interest bearing treasury funds at December 31, 2018. All investments were shifted to interest bearing cash funds in order to protect the assets from market volatility and to allow for payment of benefits. Full liquidation of Plan assets was completed as of October 31, 2019. In addition, under the liquidation basis of accounting, income expected to be earned on its investments and expenses expected to be incurred to settle its liabilities and dispose of its assets should be accrued through the end of the liquidation period. Such income and expenses, if any, were actuarially determined and were accrued at December 31, 2018.

The Company settled all liabilities under the Plan by paying lump sums and purchasing annuity contracts that constitute an irrevocable commitment from an insurer to provide all benefit liabilities under the Plan as provided under ERISA 4041. Actual lump-sum benefit payments to participants who elected to receive their benefit as a lump-sum in connection with the termination totaled \$10,752,147 in 2019. Plan assets totaling \$19,792,689 were used to purchase annuity premiums from an insurance company on behalf of beneficiaries who were already receiving benefits under the Plan. The insurance company will continue to pay out benefits to these individuals in the same manner and in the same amount as paid out under the Plan. The Plan was subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Use of Estimates –

The preparation of financial statements, in conformity with U.S. GAAP, requires the Plan Administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Investment Valuation –

The Plan's investments are stated at fair value at December 31, 2018. 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. Plan management determined the Plan's valuation policies utilizing information provided by its investment advisers, custodians, and Trustee. See Note 3 for a discussion of fair value measurements.

ALEXANDER LUMBER CO.

RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS (IN LIQUIDATION)

OCTOBER 31, 2019 AND DECEMBER 31, 2018 (AS RESTATED)

Income Recognition –

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

Payment of Benefits –

Benefit payments to participants are recorded upon distribution.

Administrative Expenses –

Substantially all administrative expenses of the Plan are paid by the Company. Expenses that are paid directly by the Company are excluded from these financial statements. Certain custody fees incurred by the Plan are paid by the Plan and are recorded as deductions in the accompanying Statements of Changes in Net Assets in Liquidation Available for Benefits. In addition, certain investment related expenses are included in net appreciation of fair value of investments presented in the accompanying Statements of Changes in Net Assets in Liquidation Available for Benefits.

(3) FAIR VALUE MEASUREMENTS:

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of fair value hierarchy are described below:

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

Level 2 – Inputs to the valuation methodology include:

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

ALEXANDER LUMBER CO.

RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS (IN LIQUIDATION)

OCTOBER 31, 2019 AND DECEMBER 31, 2018 (AS RESTATED)

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's 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 used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used by management for assets measured at fair value at December 31, 2018. There are no assets remaining at October 31, 2019:

Money market funds are valued under the market approach through the use of quoted market prices in an active market.

Exchange traded funds are valued at the closing price reported on the active market on which the individual funds are traded.

While the Plan 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 a different fair value measurement at the reporting date.

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

2018				
Description of Investment	Fair Value	Level 1	Level 2	Level 3
Money market funds	\$ 682,417	\$ 682,417	\$ -	\$ -
Exchange traded funds	27,446,680	27,446,680	-	-
Total investments	<u>\$ 28,129,097</u>	<u>\$ 28,129,097</u>	<u>\$ -</u>	<u>\$ -</u>

ALEXANDER LUMBER CO.

RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS (IN LIQUIDATION)

OCTOBER 31, 2019 AND DECEMBER 31, 2018 (AS RESTATED)

(4) SUMMARY OF INFORMATION CERTIFIED BY THE TRUSTEE:

The October 31, 2019 and December 31, 2018 (as restated), Statements of Net Assets in Liquidation Available for Benefits, the investment activities included on the Statements of Changes in Net Assets in Liquidation Available for Benefits for the years ended October 31, 2019 and December 31, 2018 (as restated), and the accompanying notes to the financial statements were prepared in part or entirely from information certified by the Trustee in accordance with 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under the ERISA. The table below summarizes the information that has been prepared and certified to as complete and accurate by the Trustee:

	<u>2019</u>	<u>2018</u>
Investments, at fair value —		
Money market fund	\$ -	\$ 682,417
Exchange traded funds	-	27,446,680
Total investments	-	28,129,097
Accrued interest receivable	-	1,013
Total assets certified by the Trustee	<u>\$ -</u>	<u>\$ 28,130,110</u>
Investment income —		
Net appreciation (depreciation) in value of investments	\$ 2,511,777	\$ (3,018,141)
Interest	77,492	8,904
Dividends	494,752	1,211,153
Capital gain distributions and other income	6,238	1,242
Total investment income (loss) certified by the Trustee	<u>\$ 3,090,259</u>	<u>\$ (1,796,842)</u>

(5) PLAN TERMINATION:

The Plan Sponsor froze the accrued benefits and terminated the Plan as of December 31, 2017. Therefore, the accrued benefits of each participant became fully vested to the extent then funded, and the net assets of the Plan were allocated, as prescribed by the terms and provisions of the Plan in accordance with the ERISA and its regulations, generally, to provide the following benefits in the order indicated, subject to any required approval of the IRS and the PBGC (a U.S. government agency):

- 1) Benefits attributable to employee contributions, if any, taking into account those paid out before termination;

ALEXANDER LUMBER CO.

RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS (IN LIQUIDATION)

OCTOBER 31, 2019 AND DECEMBER 31, 2018 (AS RESTATED)

- 2) Annuity benefits former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under Plan provisions in effect at any time during the five years preceding Plan termination;
- 3) Other vested benefits insured by the PBGC, up to the applicable limitations (discussed below);
- 4) All other vested benefits (that is, vested benefits not insured by the PBGC);
- 5) All non-vested benefits.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. However, a statutory ceiling exists, which is adjusted periodically, on the amount of an individual's monthly benefit that the PBGC guarantees.

The ability for all participants to receive their benefits upon Plan termination depends on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and on the financial condition of the Plan Sponsor and the level of benefits guaranteed by the PBGC.

The Company made such contributions to the Plan as was necessary to make the Plan sufficient to settle all Plan liabilities.

(6) TAX STATUS:

The Plan filed Form 5310, Application for Determination for Terminating Plans, with the IRS on November 6, 2017. A Notice to Interested Parties and a Notice of Intent to Terminate was provided to participants in advance of this filing. A Notice of Plan Benefits was distributed to all participants on June 1, 2018, to provide information about the estimated value of accrued benefits under the Plan as of the Plan termination date. All other regulatory filings have been timely made. PBGC Form 500, Standard Termination Notice Single-Employer Plan Termination, was filed with the PBGC on June 13, 2018.

ALEXANDER LUMBER CO.

RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS (IN LIQUIDATION)

OCTOBER 31, 2019 AND DECEMBER 31, 2018 (AS RESTATED)

The Plan obtained its latest determination letter on February 21, 2019, in which the IRS stated that the Plan termination does not affect its qualification for federal tax purposes. The Plan Administrator believes that the Plan was designed and was operating in compliance with the applicable requirements of the IRC. Therefore, they believe that the Plan was qualified and the related trust was tax-exempt as of October 31, 2019 and December 31, 2018.

U.S. GAAP require 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 Administrator has analyzed the tax positions taken by the Plan and has concluded that as of October 31, 2019 and December 31, 2018, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions. The IRS has initiated a Plan audit for the period ending December 31, 2018. Additionally, due to the Plan termination, the Plan Administrator expects the final Plan year ending October 31, 2019, to be audited by the PBGC. The Plan Administrator believes it is no longer subject to income tax examinations for years prior to 2016.

(7) SUBSEQUENT EVENTS:

The Plan has evaluated subsequent events through the report date, the date the financial statements were available to be issued. The Plan has been fully liquidated. No assets, liabilities, or obligations remain as of the report date.

(8) RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500:

The following is a reconciliation of the change in net assets in liquidation available for benefits per the financial statements to the Form 5500 at December 31, 2018:

Change in net assets in liquidation available for benefits per the financial statements	\$ (2,446,821)
Contributions receivable at December 31, 2018	<u>(901,000)</u>
Net loss per Form 5500	<u><u>\$ (3,347,821)</u></u>

A reconciliation at October 31, 2019, is not necessary as the net assets in liquidation available for benefits and change in net assets in liquidation available for benefits for the year then ended agree to Form 5500.

ALEXANDER LUMBER CO.

RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS (IN LIQUIDATION)

OCTOBER 31, 2019 AND DECEMBER 31, 2018 (AS RESTATED)

(9) RESTATEMENT OF FINANCIAL RESULTS:

Plan management has determined that there was an error in the accrued liabilities stated on the December 31, 2018, financial statements related to Plan liquidation, resulting in a misstatement of net assets in liquidation available for benefits for the year then ended. The Plan Administrator has determined that a correction was required, and as such, has restated its previously reported financial statements as of and for the year ended December 31, 2018. The impact of the correction is as follows:

- a) To remove accrued expenses of \$282,172 expected to be incurred in liquidation that were incorrectly included on the Statement of Net Assets in Liquidation Available for Benefits;
- b) To remove the adjustment to liquidation basis of accounting of \$22,421 that was incorrectly included on the Statement of Changes in Net Assets in Liquidation Available for Benefits;
- c) To adjust beginning net assets in liquidation available for benefits at December 31, 2018, for \$304,593, which represents the total of adjustments described above.