Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2019

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019

A This return/report is for:
- [ ] a multiemployer plan
- [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- [X] a single-employer plan
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report
- [ ] the final return/report
- [ ] an amended return/report
- [ ] a short plan year return/report (less than 12 months)

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

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

Part II Basic Plan Information—enter all requested information

1a Name of plan
BETENBOUGH COMPANIES EMPLOYEE STOCK OWNERSHIP PLAN

1b Three-digit plan number (PN) ▶ 002

1c Effective date of plan 01/01/2004

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)
BETENBOUGH COMPANIES

6305 82ND STREET
LUBBOCK, TX 79424

2b Employer Identification Number (EIN)
75-2770236

2c Plan Sponsor's telephone number
806-797-9494

2d Business code (see instructions)
236110

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/09/2020	WALTER CUNNINGHAM
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address [X] Same as Plan Sponsor	**3b** Administrator's EIN	
	3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: **a** Sponsor's name **c** Plan Name	**4b** EIN **4d** PN	
5 Total number of participants at the beginning of the plan year	**5**	262
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**).		
a(1) Total number of active participants at the beginning of the plan year	**6a(1)**	213
a(2) Total number of active participants at the end of the plan year	**6a(2)**	205
b Retired or separated participants receiving benefits	**6b**	1
c Other retired or separated participants entitled to future benefits	**6c**	38
d Subtotal. Add lines **6a(2)**, **6b**, and **6c**	**6d**	244
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f Total. Add lines **6d** and **6e**.	**6f**	244
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	244
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	38
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:

2I 2P 2Q 3I

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

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

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

a Pension Schedules

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

b General Schedules

- **(1)** [X] **H** (Financial Information)
- **(2)** [ ] **I** (Financial Information – Small Plan)
- **(3)** [ ] 0 **A** (Insurance Information)
- **(4)** [ ] **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
BETENBOUGH COMPANIES EMPLOYEE STOCK OWNERSHIP PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
BETENBOUGH COMPANIES

D Employer Identification Number (EIN)
75-2770236

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	8664820	2668003
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	1667307	1659397
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(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)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	**1d(1)**	82768999	126891000
	(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**	93101126	131218400
	Liabilities			
g	Benefit claims payable	**1g**		
h	Operating payables	**1h**		
i	Acquisition indebtedness	**1i**	17709325	29150769
j	Other liabilities	**1j**		
k	Total liabilities (add all amounts in lines 1g through1j)	**1k**	17709325	29150769
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	**1l**	75391801	102067631

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	**2a(1)(A)**	1659397	
	(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)**		1659397
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	**2b(1)(A)**	187063	
	(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)**		187063
	(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)**		
	(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)**		
	(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)**	44121999	
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	**2b(5)(C)**		44121999

		(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		5538
d Total income. Add all **income** amounts in column (b) and enter total	2d		45973997
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	18569174	
(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)		18569174
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		728993
i Administrative expenses: **(1)** Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		0
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		19298167
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		26675830
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: JOHNSON MILLER & CO **(2)** EIN: 85-0214336

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

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

Part IV Compliance Questions

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

During the plan year:

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

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		1000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

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

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

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

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

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

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
BETENBOUGH COMPANIES EMPLOYEE STOCK OWNERSHIP PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
BETENBOUGH COMPANIES

D Employer Identification Number (EIN)
75-2770236

Part I Distributions

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

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

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

EIN(s): 58-1428634

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year **3**

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

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

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

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

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☒ **No**

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☒ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☒ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☒ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

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

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

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

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

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

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

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

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

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

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

a Enter the percentage of plan assets held as:
Stock: _____% 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_____

Betenbough Companies
Employee Stock Ownership Plan

Financial Statements with
Independent Auditors' Report
December 31, 2019 and 2018

JOHNSON, MILLER & CO. CPA's PC
Certified Public Accountants A Professional Corporation
An Independent Member of BDO Alliance USA

Betenbough Companies
Employee Stock Ownership Plan

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Independent Auditors' Report

Betenbough Companies Employee Stock Ownership Plan Trustees
6305 82nd Street
Lubbock TX 79424

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Betenbough Companies Employee Stock Ownership Plan ("the Plan"),which comprise the statements of net assets available for benefits as of December 31, 2019 and 2018, the related statement of changes in net assets available for benefits for the year ended December 31, 2019, and related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's 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 4, which was certified by TI-TRUST, Inc., formerly known as First Bankers Trust Services, Inc., the trustee of the Plan, except for comparing such information with the related information included in the financial statements. The Plan Administrator has informed us that TI-TRUST, Inc. holds the Plan's investment assets and execute investment transactions. The Plan Administrator has obtained certifications from the Trustee as of and for the years ended December 31, 2019 and 2018, that the information provided to the Plan Administrator is complete and accurate.

2626 JBS Parkway
Suite A-200
Odessa, Texas 79761
(432) 362-3800

Two Fasken Center
550 West Texas Avenue
Midland, Texas 79701
(432) 683-1835

225 East Bender Boulevard
P. O. Drawer 220
Hobbs, New Mexico 88241
(575) 393-2171

www.jmcpa.com

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 entitled Schedule of Assets (Held at End of Year) as of December 31, 2019 is required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on this supplemental schedule.

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.



Hobbs, NM
September 18, 2020

Financial Statements

Betenbough Companies
Employee Stock Ownership Plan

Statements of Net Assets Available for Benefits

December 31, 2019		**Allocated**	**Unallocated**	**Total**
ASSETS				
Assets Held by Trustee				
Investments in Betenbough Companies, PBC common stock, at fair value (Note 4)	**$**	**79,600,428**	**47,290,572**	**126,891,000**
Cash		**2,668,003**	**-**	**2,668,003**
Receivables				
Employer contributions receivable		**1,659,397**	**-**	**1,659,397**
Total assets		**83,927,828**	**47,290,572**	**131,218,400**
LIABILITIES				
Notes payable (Note 7)		**-**	**29,150,769**	**29,150,769**
Total liabilities		**-**	**29,150,769**	**29,150,769**
Net assets available for benefits	**$**	**83,927,828**	**18,139,803**	**102,067,631**

December 31, 2018		Allocated	Unallocated	Total
ASSETS				
Assets Held by Trustee				
Investments in Betenbough Companies, PBC common stock, at fair value (Note 4)	**$**	62,986,727	19,782,272	82,768,999
Cash		8,664,820	-	8,664,820
Receivables				
Employer contributions receivable		1,667,307	-	1,667,307
Total assets		73,318,854	19,782,272	93,101,126
LIABILITIES				
Notes payable (Note 7)		-	17,709,325	17,709,325
Total liabilities		-	17,709,325	17,709,325
Net assets available for benefits	**$**	73,318,854	2,072,947	75,391,801

See accompanying independent auditors' report and notes to financial statements.

Betenbough Companies
Employee Stock Ownership Plan

Statement of Changes in Net Assets Available for Benefits
Year Ended December 31, 2019

		Allocated	Unallocated	Total
Additions to Net Assets				
Investment income:				
Net appreciation in fair value of investments	$	26,976,194	17,145,807	44,122,001
Dividends		187,063	-	187,063
Stop payment proceeds		5,536	-	5,536
Employer contributions receivable		1,659,397	-	1,659,397
Loan payments		(1,669,307)	1,669,307	-
Allocation of 1,591.3388 shares of Betenbough Companies, PBC common stock at fair value		2,019,265	-	2,019,265
Total additions to net assets		29,178,148	18,815,114	47,993,262
Deductions from Net assets				
Interest expense		-	728,993	728,993
Distribution to participants		18,569,174	-	18,569,174
Allocation of 1,591.3388 shares of Betenbough Companies, PBC common stock at fair value		-	2,019,265	2,019,265
Total deductions from net assets		18,569,174	2,748,258	21,317,432
Net increase		10,608,974	16,066,856	26,675,830
Net assets available for benefits				
Beginning of year		73,318,854	2,072,947	75,391,801
End of Year	$	83,927,828	18,139,803	102,067,631

See accompanying independent auditors' report and notes to financial statements.

Betenbough Companies
Employee Stock Ownership Plan

Notes to Financial Statements
(See Independent Auditors' Report)

1. Description of Plan

The following brief description of the Betenbough Companies Employee Stock Ownership Plan ("the Plan") is provided for general information purposes only. Participants should refer to the Plan agreement for complete information.

Cornerstone Business Holdings, Inc., the predecessor to Betenbough Companies, PBC ("the Company") established the Cornerstone Employee Stock Ownership Plan effective as of January 1, 2004. As of January 1, 2017 the Plan was amended and restated and operates as a leveraged employee stock ownership plan (ESOP), and is designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code of 1986, as amended (IRC) and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Cornerstone Business Holdings, Inc. changed its name to Betenbough Companies, PBC effective June 25, 2018. At that time, the Plan was amended to change the name to Betenbough Companies Employee Stock Ownership Plan.

The Plan is administered by the Plan Sponsor. The Trust Department of an independent third party bank is the Plan's Trustee.

The Plan was amended effective January 1, 2018 to allow any other corporation or entity, with the consent of Betenbough Companies, PBC, to become a participating employer in the Plan. The following employers have adopted the Plan as participating employers:

Betenbough Homes, LLC
Alcove Farms, LLC
Cornerstone Support Services, Inc. (effective March 21, 2018)
The Willows Commercial Management, LLC (effective January 28, 2018)

The Plan purchased Company stock using the proceeds of borrowings from the Company and holds the common stock in a trust established under the Plan. The borrowings are repaid to the Company over a period of twenty years by fully deductible Company contributions to the trust fund. As the Plan makes each payment of principal, an appropriate percentage of stock will be allocated to eligible employees' accounts in accordance with applicable regulations under the IRC.

1. Description of Plan (Continued)

The borrowings are collateralized by the unallocated shares of common stock. Accordingly, the financial statements of the Plan as of December 31, 2019 and 2018, and for the year ended December 31, 2019, present separately the assets and liabilities and changes therein pertaining to:

1. The accounts of employees with vested rights in allocated common stock ("Allocated") and;

2. Common stock not yet allocated to employees ("Unallocated")

Eligibility

Employees of the Company and its participating subsidiaries are generally able to participate in the Plan upon hire. Participants who are not employed on the last day of the plan year are generally not eligible for an allocation of Company contributions for such year.

Contributions

The Company is obligated to make contributions under the Plan which, when aggregated with the Plan's dividends and interest earnings, equal the amount necessary to enable the Plan to make its regularly scheduled payments of principal and interest to its term loans. Employees are not permitted to make contributions.

Payment of Benefits

Distributions on account of death, disability, or retirement are made in the
Plan year following the event. Distributions for other separations from service are made as requested by the terminated participant. Distribution of a participant's benefit shall be made in cash or in shares of company stock to a put option and are made as a lump-sum payment if the balance does not exceed $10,000. Amounts in excess of $10,000 are paid in annual installments according to the Plan's distribution policy.

On October 3, 2018, the Plan was amended to provide for the conversion of former participants' company stock accounts to cash following the close of the distribution period for a given plan year, subject to the availability of cash held in the Plan. Such amounts are to be reinvested in a segregated account for the former participant but shall never be invested or reinvested in the stock of the Company.

1. Description of Plan (Continued)

Voting Rights

The Trustee shall vote all Company Stock held by it as part of the Plan assets. Provided, however, that if any agreement entered into by the Trust provides for voting of any shares of Company Stock pledged as security for any obligation of the Plan, then such shares of Company Stock shall be voted in accordance with such agreement. If the Trustee does not timely
receive voting directions from a Participant or Beneficiary with respect to any Company Stock allocated to that Participant's or Beneficiary's Company Stock Account, the Trustee shall vote such Company Stock. The Trustee is required to vote any unallocated shares on behalf of the collective best interest of the plan participants and beneficiaries.

Plan Termination

The Company reserves the right to terminate the Plan at any time, subject to Plan provisions. Upon such termination of the Plan, the interest of each participant in the trust fund will be distributed to such participant or his or her beneficiary at the time prescribed by the Plan terms and the IRC. Upon termination of the Plan, all amounts credited to the affected participants' accounts shall become 100% vested and shall not be subject to forfeiture. All allocated amounts, including forfeitures, shall be allocated to the accounts of all participants in accordance with Plan provisions.

Participant Accounts

The Plan is a defined contribution plan under which a separate individual
account is established for each participant. Each participant's account is credited as of the last day of the year with an allocation of shares of the Company's common stock released by the Trustee from the unallocated account and forfeitures of terminated participants' non-vested accounts.
Only those participants who are eligible employees of the Company as of the last day of the plan year will receive an allocation.

Allocations are based on a participant's eligible compensation, relative to total eligible compensation. Plan participants with 7.9% or more of Company stock allocated to their accounts are limited in the amount of additional allocations to their accounts. No additional benefit may accrue for Plan participants with 9.9% or more of Company stock allocated to their accounts. Plan earnings are allocated to each participant's account based on the ratio of the participant's beginning of the year account balance to all participants' beginning of the year account balances.

1. Description of Plan (Continued)

Vesting

If a participant's employment with the Company ends for any reason other than retirement, permanent disability or death, he or she will vest in the balances in his or her account based on total years of service with the Company. An employee's credited service shall be the number of plan years in which the employee is credited with at least 1,000 hours of service.
Participants are vested in their accounts as follows:

Years of Service	Vested Percentage
Less than 2	0%
2	20%
3	40%
4	60%
5	80%
6 or more years	100%

Participants are 100% vested at normal retirement age of 65. As of December 31, 2019 and 2018, vested balances allocated to the accounts of participants who had terminated employment with the Company were $4,349,654 and $18,642,123, respectively.

Put Option

Under Federal income tax regulations, the employer stock that is held by the Plan and its participants and is not readily tradable on an established market, or is subject to trading limitations, includes a put option. The put option is a right to demand that the Company buy any shares of its stock distributed to participants for which there is no market. The put price is representative of the current appraised value of the stock. The Company can pay for the purchase with interest over a period of five years. The purpose of the put option is to ensure that the participant can ultimately obtain cash.

During 2019, under the put option, the Company did not repurchase any shares, however, during 2018 the Company repurchased 5,278.0343 shares for $4,761,737 ($902.18 per share).

Diversification

Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in the Company common stock into investments which are more diversified. Participants who are at least age 55 with at least 10 years of participation in the Plan may elect to diversify a portion of their account.

1. Description of Plan (Continued)

Diversification

Diversification is offered to each eligible participant over a six-year period. In each of the first five years, a participant may diversify up to 25% of the number of shares allocated to his or her account, less any shares previously diversified. In the sixth year, the percentage changes to 50%.

Participants who elect to diversify have the option to receive a cash distribution or a direct rollover to an IRA or other qualified employer plan. Participants eligible to diversify make their election after year-end based on the number of shares of the employer's stock held in their account at year-end. During the years ended December 31, 2019 and 2018 participants elected to diversify $12,381,758 and $7,238,263, respectively.

Forfeitures

Employer contributions and Plan forfeitures are allocated to each participant's account based upon the relation of the participant's compensation to total compensation for the Plan year. Forfeitures of terminated non-vested account balances allocated to remaining participants at December 31, 2019 and 2018, totaled $1,030,194 in cash and 11.2852 in shares and $10,392 in cash and 549.4695 in shares, respectively. There were no remaining unallocated forfeiture balances at December 31, 2019 and 2018.

Administrative Expenses

All expenses of maintaining the Plan are paid by the Company.

2. Summary of Significant Accounting Policies

The following summary of significant accounting policies is presented to assist in the understanding of the Betenbough Companies Employee Stock Ownership Plan's financial statements. The financial statements and notes are the representation of the Plan administrator who is responsible for their integrity and objectivity. The financial statements of the Plan have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). The Financial Accounting Standards Board (FASB) is the accepted standard setting body for established accounting and financial reporting principles. The more significant of the Plan's accounting policies are described below.

Basis of Accounting

The accounting records of the Plan are maintained on the accrual basis.

2. Summary of Significant Accounting Policies (Continued)

Use of Estimates

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

Allocations

The financial statements of the Plan present separately the assets and liabilities and changes therein pertaining to (a) the accounts of employees with rights in allocated stock ("allocated") and (b) stock not yet allocated to employees ("unallocated"), including shares that are committed to be released. Shares are released from collateral and become allocated generally in the period in which debt service is actually paid.

Investment Valuation and Income Recognition

The shares of Company common stock are valued at estimated fair value. See Note 8 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.

ERISA Fidelity Bond

As of December 31, 2019 and 2018, a $1,000,000 fidelity bond covered the Plan.

3. Income Tax Status

The Internal Revenue Service has determined, by a letter dated February 16, 2012, that the form of the plan is designed in accordance with applicable sections of the Internal Revenue Code ("IRC"). The Plan has been amended since receiving the determination letter. However, the plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code.

Generally accepted accounting principles prescribe requirements for the recognition, measurement, classification, and disclosure in the financial statements of uncertain tax positions taken or expected to be taken by the Plan. The Plan Administrator has evaluated the Plan's design and operation and has concluded that the Plan is designed and has been operated in compliance with the applicable requirements of the IRC. Further, the Plan Administrator believes that the Plan has maintained its tax-exempt status and has taken no uncertain tax positions that require adjustment to the financial statements.

The Plan continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings.

4. Information Certified by the Plan's Trustee

The Plan Administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and disclosure under ERISA. Accordingly, certain information related to investments and notes payable disclosed in the accompanying financial statements and supplemental schedules at December 31, 2019 and 2018, and net appreciation in fair value of investments, interest and dividends for the year ended December 31, 2019, was obtained or derived from information supplied to the plan administrator and certified as complete and accurate by TI-TRUST, Inc., formerly known as First Bankers Trust Services, Inc., the Trustee of the Plan.

The Plan's investments in Company common stock as of December 31, 2019 and 2018 are as follows:

	2019		2018	
	Allocated	**Unallocated**	**Allocated**	**Unallocated**
Number of shares	**62,731.3424**	**37,268.6576**	76,099.4181	23,900.5819
Cost	**$ 2,347,531**	**28,700,703**	1,201,140	5,465,336
Fair value	**79,600,428**	**47,290,572**	62,986,727	19,782,272

The Plan's independent accountants did not perform auditing procedures with respect to this information, except for comparing such information included in the financial statements and supplemental schedules.

5. Administration of Plan Assets

The Plan's assets, which consist principally of Company common stock, are held by the Trustee of the Plan.

Company contributions are held and managed by the Trustee, which invests cash received, interest and dividend income and makes distributions to participants. The Trustee also administers the payment of interest and principal on the loans, which is reimbursed to the Trustee through contributions as determined by the Company.

Certain administrative functions are performed by officers or employees of the Company or its subsidiaries or related companies. No such officer or employee receives compensation from the Plan. Administrative expenses for the Trustee's fees are paid directly by the Company.

6. Related Party Transactions

The Plan invests in common stock of the Company and has notes payable to the Company. These are related party and party-in-interest transactions. As described in Note 2, the Company pays the administrative expenses of the Plan. The Plan has several service providers. Such parties are parties-in-interest under ERISA.

7. Loans Payable

The Company has periodically entered into loan agreements with the Plan to facilitate the purchase of shares of the Company's common stock by the Plan. For each loan, the purchased shares are collateral for the loan, and are released from collateral and allocated to participants when principal and interest payments are made.

For each loan, the number of shares released in any year is the number of encumbered shares held immediately before release for the current plan year multiplied by a fraction. The numerator of the fraction shall be the amount of principal and interest paid for the year. The denominator of the
fraction shall be the sum of the numerator plus the principal and interest to be paid for all future years.

2014 Loan Agreement – On December 18, 2014, the Company entered into a loan agreement with the Plan ("2014 note payable"), in which the Plan borrowed $4,810,862 from the Company for the purchase of 9,784.5378 shares of common stock of the Company. The loan bears interest at a fixed rate of 2.74% and shall be repaid in annual payments of $315,701, including principal and interest, over twenty years, maturing in December 2034.

Repayment of principal and interest resulted in 489.2269 shares being released and allocated for the plan year ended December 31, 2019 and 2018.

The fair value of the 2014 note payable as of December 31, 2019 and 2018, was $3,840,040 and $4,044,909, respectively.

7. Loans Payable (Continued)

2015 Loan Agreement – On December 23, 2015, the Company entered into a loan agreement with the Plan ("2015 note payable"), in which the Plan borrowed $1,068,120 from the Company for the purchase of 2,054.5109 shares of common stock of the Company. The loan bears interest at a fixed rate of 2.61% and shall be repaid in annual payments of $69,231, including principal and interest, over twenty years, maturing in December 2035.

Repayment of principal and interest resulted in 102.7255 shares being released and allocated for the plan year ended December 31, 2019 and 102.7256 shares being released and allocated for the plan year ended December 31, 2018.

The fair value of the 2015 note payable as of December 31, 2019 and 2018, was $896,119 and $940,795, respectively.

2016 Loan Agreement – On December 15, 2016, the Company entered into a loan agreement with the Plan ("2016 note payable"), in which the Plan borrowed $787,494 from the Company for the purchase of 1,139.4471 shares of common stock of the Company. The loan bears interest at a fixed rate of 2.26% and shall be repaid in annual payments of $49,377, including principal and interest, over twenty years, maturing in December 2036.

Repayment of principal and interest resulted in 56.9724 shares being released and allocated for the plan year ended December 31, 2019 and 2018.

The fair value of the 2016 note payable as of December 31, 2019 and 2018, was $690,597 and $723,621, respectively.

2018 Loan Agreement – On November 16, 2018, the Company entered into a loan agreement with the Plan ("2018 note payable"), in which the Plan borrowed $12,000,000 from the Company for the purchase of 13,301.1151 shares of common stock of the Company. The loan bears interest at a fixed rate of 3.22% and shall be repaid in annual payments of $631,514, including principal and interest, over thirty years, maturing in December 2048.

Repayment of principle and interest resulted in 443.5601 shares being released and allocated for the plan year ended December 31, 2019 and none for the plan year ended December 31, 2018.

The fair value of the 2018 note payable as of December 31, 2019 and 2018, was $11,786,574 and $12,000,000, respectively.

7. Loans Payable (Continued)

2019 Loan Agreement – On June 28, 2019, the Company entered into a loan agreement with the Plan ("2019 note payable"), in which the Plan borrowed $12,381,758 from the Company for the purchase of 14,959.4145 shares of common stock of the Company. The loan bears interest at a fixed rate of 2.76% and shall be repaid in annual payments of $603,483, including principal and interest, over thirty years, maturing in December 2048.

Repayment of principle and interest resulted in 498.8539 shares being released and allocated for the plan year ended December 31, 2019.

The fair value of the 2019 note payable as of December 31, 2019, was $11,937,439.

The combined balance of notes payable as of December 31, 2019 and 2018, was $29,150,769 and $17,709,325, respectively. The scheduled amortization of the loans over the next five years and thereafter is as follows:

2020	$	815,804
2021		839,488
2022		863,568
2023		888,344
2024 and thereafter		25,743,565
	$	29,150,769

8. Fair Value Measurements

Fair Value Measurement

The Plan's investments are reported at fair value in the accompanying statement of net assets available for benefits. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values.

Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to measure fair value of certain financial instruments could result in a different fair value at the reporting date.

8. Fair Value Measurements (Continued)

The fair value measurements accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs are unobservable and have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. Level 3 inputs were used only when Level 1 or Level 2 inputs were not available

Level 3 Fair Market Measurements

The fair value of the Company common stock is based on an annual independent appraisal. The Trustee, under the supervision of the Company's Board of Directors, determines the fair value measurement policies and procedures in consultation with the Company's chief financial officer. Those policies and procedures are reassessed at least annually to determine if the current valuation techniques are still appropriate. At that time the unobservable inputs used in the fair value measurements are evaluated and adjusted, as necessary, based on current market conditions and other third-party information.

The appraiser considered historical and projected cash flow and net earnings, weighted average cost of capital, market comparables, and applicable discounts and premiums. This appraisal was based on a combination of the market and income valuation approaches consistent with prior years as illustrated in the following table:

Instrument	Fair Value	Principle Valuation Technique	Unobservable Inputs
Betenbough Companies, PBC Common Stock	$ 126,891,000	Income	EBITDA Net income Forecast revenues, expenses and cash flow Weighted average cost of capital Discount rate Discount for lack of marketability
		Market	Public comparables EBITDA multiple EBIT multiple Discount applied to valuation multiples

8. Fair Value Measurements (Continued)

There have been no changes in methodologies used at December 31, 2019 and 2018.

The following tables present fair value information for the Plan's investments in Company common stock. The carrying values of receivables, cash, and interest payable included in the accompanying statement of net assets available for benefits approximated fair value at December 31, 2019 and 2018 and are thus not included in the following table.

Input Levels by Investment Category at December 31, 2019:

Investment Category		Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Betenbough Companies, PBC common stock	**$**	**-**	**-**	**-**	**126,891,000**
Total	**$**	**-**	**-**	**-**	**126,891,000**

Input Levels by Investment Category at December 31, 2018:

Investment Category		Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Betenbough Companies, PBC common stock	**$**	-	-	-	82,768,999
Total	**$**	-	-	-	82,768,999

The following table provides further details of the Plan's Level 3 fair value measurement.

Year ended December 31, 2019

Beginning balance	$ 82,768,999
Total gains (losses) including changes in net assets Available for benefits	44,122,001
Ending balance	$ 126,891,000

Gains and losses included in changes in net assets available for benefits for the year ended December 31, 2019 are reported in net appreciation in fair value of investments in the Statement of Changes in Net Assets Available for Benefits.

The Plan's policy is to recognize transfers into and out of Level 3 as of the date the event or change in circumstances that caused the transfer. For the year ended December 31, 2019 there were not significant transfers into or out of Level 3.

9. Concentration of Credit Risk

The Plan maintains its cash balances primarily in a money market mutual fund invested in a portfolio of U.S. Treasury securities. The investment in this fund is protected by the Securities Investor Securities Corporation ("SIPC"). The SIPC protects against loss of cash and securities held in a financially troubled SIPC-member firm. The limit of SIPC protection is $500,000. From time to time, the Plan may have amounts on deposit in excess of the SIPC limits. As of December 31, 2019, and 2018, the Plan had amounts on deposit in excess of the SIPC limits of approximately $2,200,000 and $8,200,000, respectively. Management believes the Plan is not exposed to any significant credit risk on cash.

10. Risks and Uncertainties

The Plan's investments consist primarily of the Company's common stock, which is exposed to various risks, including interest rate, market, and credit risks, as well as valuation assumptions based on earnings and cash flows. Due to the level of risk associated with the investment in the
common stock and to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in the value of common stock will occur in the near term and that such changes could materially affect the amounts reported in the statement of net assets available for benefits.

11. Subsequent Events

The Plan has evaluated subsequent events through September 18, 2020, the date the financial statements were available to be issued.

In March 2020, the World Health Organization categorized Coronavirus Disease 2019 ("COVID-19") as a pandemic, and the President of the United States declared the COVID-19 outbreak a national emergency. The COVID-19 pandemic has led to volatility in financial markets and has affected, and may continue to affect, the market price of Plan assets. The potential economic impact brought by, and the duration of, COVID-19 is difficult to assess or predict and will depend on future developments that are highly uncertain and cannot be predicted.

The Plan has implemented certain requirements by the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act) and the Setting Every Community Up for Retirement Enhancement Act of 2019 (the SECURE Act), which laws change the Plan to, among others, allow certain eligible individuals to receive coronavirus-related relief for loan repayment, suspend required minimum distributions, and delay the commencement date for required minimum distributions. The optional features within these acts are currently being assessed but have not been implemented to date. Written amendments to the Plan to reflect these operational changes will be adopted at a later date in accordance with applicable law and IRS guidance.

Supplemental Information

Betenbough Companies
Employee Stock Ownership Plan
EIN #75-2770236 Plan #002

Schedule H, Line 4i – Schedule of Assets (Held At Year End)
(See Independent Auditors Report)

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		(d) Cost	(e) Current Value
*	Betenbough Companies	100,000 shares of common stock	$	**30,795,472**	**126,891,000**
	TI-Trust	Cash		**2,668,003**	**2,668,003**
			$	**33,463,475**	**129,559,003**

* Party-in-interest

Schedule H, Line 4i
Schedule of Assets (Held At End of Year)

Name of Plan:

► Betenbough Employee Stock Ownership Plan

Employer Identification Number:► 75-2770236

For plan year (beginning/ending):► 01/01/2019-12/31/2019 Plan number:► 002

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
*	Betenbough Companies	100,000 shares of Common Stock	30,795,472	126,891,000
	TI-Trust	cash	2,668,003	2,668,003