

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2019 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information For calendar plan year 2019 or fiscal plan year beginning <u>01/01/2019</u> and ending <u>12/31/2019</u>
A This return/report is for: ☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) ____	
B This return/report is: ☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)	
C If the plan is a collectively-bargained plan, check here. ▶ ☐	
D Check box if filing under: ☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)	

Part II	Basic Plan Information —enter all requested information		
1a Name of plan <u>BORCHERS AMERICAS, INC. 401K PLAN</u>		1b Three-digit plan number (PN) ▶	<u>002</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>BORCHERS AMERICAS, INC.</u> <u>811 SHARON DRIVE</u> <u>WESTLAKE, OH 44145</u>		1c Effective date of plan <u>01/01/2017</u>	
		2b Employer Identification Number (EIN) <u>34-1604066</u>	
		2c Plan Sponsor's telephone number <u>440-808-7092</u>	
		2d Business code (see instructions) <u>325900</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.	<u>10/13/2020</u>	<u>KEITH OGG</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2019)
v. 190130

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name OMG AMERICAS, INC. DBA BORCHERS AMERICAS, INC. c Plan Name BORCHERS AMERICAS, INC. 401(K) PLAN	4b EIN 34-1604066 4d PN 002
5 Total number of participants at the beginning of the plan year	5 142
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) 134
a(2) Total number of active participants at the end of the plan year	6a(2) 120
b Retired or separated participants receiving benefits.....	6b 1
c Other retired or separated participants entitled to future benefits	6c 12
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 133
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	6e 0
f Total. Add lines 6d and 6e	6f 133
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g 130
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2G 2J 2K 2R 2S 2T 3D 3H	
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

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

b General Schedules

- (1)** ☒ **H** (Financial Information)
- (2)** ☐ **I** (Financial Information – Small Plan)
- (3)** ☐ **0** **A** (Insurance Information)
- (4)** ☒ **C** (Service Provider Information)
- (5)** ☐ **D** (DFE/Participating Plan Information)
- (6)** ☐ **G** (Financial Transaction Schedules)

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2019 Form M-1 annual report. If the plan was not required to file the 2019 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

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

For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019	
A Name of plan BORCHERS AMERICAS, INC. 401K PLAN	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 BORCHERS AMERICAS, INC.	D Employer Identification Number (EIN) 34-1604066

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☒ No
- b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

GREAT-WEST LIFE & ANNUITY INSURANCE

8515 EAST ORCHARD ROAD
GREENWOOD VILLAGE, CO 80111

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
64	RECORDKEEPER	38053	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

(a) Enter name and EIN or address (see instructions)

KESTRA ADVISORY SERVICES LLC

5707 SW PKWY BLDG 2 STE 400
AUSTIN, TX 78735

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
99	OTHER	23995	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

KESTRA INVESTMENT SERVICES LLC

5707 SOUTHWEST PKWY
BLDG 2 STE 400
AUSTIN, TX 78735

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27	INVESTMENT ADVISOR	13208	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

THE RETIREMENT ADVANTAGE INC

101 E GRAND AVENUE STE 16
PORT WASHINGTON, WI 53074

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13	CONTRACT ADMIN	5999	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

GWFS EQUITIES INC

8515 E ORCHARD ROAD
GREENWOOD VILLAGE, CO 80111

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
33	BROKER SERVICES	75	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

GWFS EQUITIES INC

8515 E ORCHARD ROAD
GREENWOOD VILLAGE, CO 80111

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

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
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(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

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 BORCHERS AMERICAS, INC. 401K PLAN	B Three-digit plan number (PN) ►	002
C Plan sponsor's name as shown on line 2a of Form 5500 BORCHERS AMERICAS, INC.	D Employer Identification Number (EIN) 34-1604066	

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	0	0
(2) Participant contributions.....	1b(2)	0	0
(3) Other.....	1b(3)	4396080	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	0	0
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other.....	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common.....	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property).....	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans.....	1c(8)	189973	296484
(9) Value of interest in common/collective trusts	1c(9)	0	0
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities.....	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	13156277	21032287
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)	313642	393948

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	0	0
(2) Employer real property	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	18055972	21722719

Liabilities

g Benefit claims payable	1g	0	0
h Operating payables	1h		
i Acquisition indebtedness	1i	0	0
j Other liabilities	1j	0	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	18055972	21722719
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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)	678345	
(B) Participants	2a(1)(B)	851423	
(C) Others (including rollovers)	2a(1)(C)	167009	
(2) Noncash contributions	2a(2)	0	1696777
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	0	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	15479	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		15479
(2) Dividends: (A) Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	785828	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		785828
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	0	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	0	
(B) Other	2b(5)(B)	0	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		2809725
c Other income	2c		75456
d Total income. Add all income amounts in column (b) and enter total	2d		5383265

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1633211	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		1633211
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions)	2g		1977
h Interest expense	2h		0
i Administrative expenses: (1) Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	81330	
(3) Investment advisory and management fees	2i(3)	0	
(4) Other	2i(4)	0	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		81330
j Total expenses. Add all expense amounts in column (b) and enter total	2j		1716518

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		3666747
l Transfers of assets:			
(1) To this plan	2l(1)		0
(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: GRANT THORNTON

(2) EIN: 36-6055558

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		43455
4b		X	

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

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

A Name of plan <u>BORCHERS AMERICAS, INC. 401K PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>BORCHERS AMERICAS, INC.</u>	D Employer Identification Number (EIN) <u>34-1604066</u>

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

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>20-3691708</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	

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

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

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

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

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

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

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

Schedule R (Form 5500) 2019
v. 190130

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

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

a The current year

b The plan year immediately preceding the current plan year

c The second preceding plan year

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

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

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

b The corresponding number for the second preceding plan year

15a**15b**

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

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

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

16a**16b**

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

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

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

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

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

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

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

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

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

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

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

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

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

☐ Yes.

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

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

☐ No. Other. Provide explanation _____

Financial Statements and Report of
Independent Certified Public
Accountants

Borchers Americas, Inc. 401(k) Plan

December 31, 2019 and 2018

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Participants and Plan Administrator of
Borchers Americas, Inc. 401(k) Plan

Report on the financial statements

We were engaged to audit the accompanying financial statements of Borchers Americas, Inc. 401(k) Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2019 and 2018, and the related statement of changes in net assets available for benefits for the year ended December 31, 2019, 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 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 certified information described in Note 3, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan administrator that the certifying entity meets the requirements of 29 CFR 2520.103-8. The Plan administrator obtained certifications from this entity as of December 31, 2019 and 2018, and for the year ended December 31, 2019, stating that the certified information provided to the Plan administrator 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.

Supplementary information

The supplemental schedule H, Line 4a – Schedule of delinquent participant contributions for the year ended December 31, 2019, and supplemental schedule H, Line 4i - Schedule of assets (held at end of year) as of December 31, 2019, are presented for purposes of additional analysis and are not a required part of the financial statements, but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedules.

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 certified information described in Note 3, 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.



Charlotte, North Carolina
October 9, 2020

Borchers Americas, Inc. 401(k) Plan

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31,

	2019	2018
Assets		
Investments, at fair value	<u>\$ 21,426,235</u>	<u>\$ 13,469,919</u>
Receivables:		
Receivable due from other qualified plan	-	4,396,080
Notes receivable from participants	<u>296,484</u>	<u>189,973</u>
Total receivables	<u>296,484</u>	<u>4,586,053</u>
Net assets available for benefits	<u>\$ 21,722,719</u>	<u>\$ 18,055,972</u>

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

Borchers Americas, Inc. 401(k) Plan

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

For the years ended December 31,

	<u>2019</u>
Additions:	
Investment income:	
Net appreciation in fair value of investments	\$ 2,885,105
Interest and dividends	<u>785,828</u>
Investment income, net	3,670,933
Contributions:	
Participant	851,524
Employer	678,245
Rollover	<u>167,009</u>
Total contributions	1,696,778
Interest income on notes receivable from participants	<u>15,479</u>
Total additions	<u>5,383,190</u>
Deductions:	
Benefits paid to participants	1,635,188
Administrative expenses	<u>81,255</u>
Total deductions	<u>1,716,443</u>
Increase in net assets available for benefits	3,666,747
Net assets available for benefits:	
Beginning of year	<u>18,055,972</u>
End of year	<u><u>\$ 21,722,719</u></u>

The accompanying notes are an integral part of this financial statement.

Borchers Americas, Inc. 401(k) Plan

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

NOTE 1 - DESCRIPTION OF THE PLAN

The following description of the Borchers Americas, Inc. 401(k) Plan (the Plan) is provided for general information purposes only. Participants should refer to the Plan document for more complete information.

General

The Plan is a defined contribution retirement plan covering associates of Borchers Americas, Inc. and participating employer Owensboro Specialty Polymers, Inc. (collectively, the Company). The Plan currently allows all eligible associates of the Company to participate in the Plan. The trustee of the Plan is Great West Trust Company, LLC (Trustee) and Great-West Life & Annuity Insurance dba Empower Retirement (Recordkeeper) provides recordkeeping services for the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Effective December 31, 2018, the Owensboro 401(k) Plan (Owensboro Plan) was merged into the Plan. Net assets of \$4,396,080, comprised of investments of \$4,244,548 and notes receivable from participants of \$151,532, were transferred into the Plan.

Vesting

Participants are vested immediately in their contributions and any employer contributions.

Eligibility

The Plan document was amended and restated as a result of merger of the Owensboro Plan into the Plan effective January 1, 2019. As of January 1, 2019, an associate is eligible to participate in the Plan and becomes eligible for employer match when he or she has attained the age of 21 and completed a year of service as defined by the Plan document. Associates of Borchers Americas, Inc. who were employed on January 13, 2017 and associates of Owensboro Specialty Polymers, Inc. who were employed on December 31, 2018 are exempt from the age requirement.

Contributions

Participants may contribute up to 100% of their pretax annual compensation, as defined by the Plan document, through payroll deductions subject to certain Internal Revenue Code (IRC) limitations. Participants are automatically enrolled at a 3% deferral rate and direct the investment of their contributions into various investments offered by the Plan. Participants may also contribute Roth contributions to the Plan.

The Company matches 100% of the participants' voluntary contributions up to 3% of wages and 50% of the participants' voluntary contributions in excess of 3%, but not exceeding 5% of wages. In addition to the employer match, the Plan provides two nonelective contributions for certain associates: 1) for associates of Borchers Americas, Inc. who were employed on or prior to October 28, 2015, the Company contributes a nonelective contribution of 3.5% of the participants' pretax annual compensation, and 2) for associates of Owensboro Specialty Polymers, Inc. who were employed on or prior to May 9, 2018, the Company contributes a nonelective contribution of 3.0% of the participants' pretax annual compensation.

Catch-up Contributions

All employees who are eligible to make pretax contributions under the Plan and participants who had attained the age of 50 before the close of the Plan year are eligible to make catch-up contributions during the Plan year in accordance with, and subject to, the limitations of Sections 414(v) of the IRC.

Borchers Americas, Inc. 401(k) Plan

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2019 and 2018

Rollover Contributions

Participants are eligible to rollover certain account balances from other eligible retirement plans, as defined in the Plan document, to the Plan.

Participant Accounts

Individual accounts are maintained for each Plan participant. Each participant's account is credited with the participant's contributions, the Company's contributions and an allocation of Plan earnings and is charged with withdrawals and allocations of Plan losses. Allocations are based on participants' earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Payment of Benefits

Upon termination of service due to death, disability or retirement, a participant or beneficiary receives a lump sum amount equal to the value of the participant's vested interest in his or her account unless the participant or beneficiary is subject to lifetime required minimum distributions, in which case they may elect to receive installments that can be paid monthly, quarterly, or annually. For termination of service for other reasons, a participant may receive the value of the vested interest in his or her account in the same manner. Any amount payable under the Plan shall be settled by the payment of one lump sum if the participant's vested account has a balance less than \$1,000. Any amount payable under the Plan shall be settled by an mandatory rollover to another qualified plan if the participant's vested account has a balance between \$1,000 and \$5,000.

Notes Receivable from Participants

Participants may borrow from their accounts a minimum of \$1,000 and up to a maximum of \$50,000 or 50% of their vested account balance, whichever is less. Loans are secured by an assignment of the participant's vested interest in the Plan and bear interest at a rate of 2.0% plus the prime rate published in the Wall Street Journal on the first business day of the month the loan is originated. Principal and interest are paid ratably through payroll deductions. Loan terms shall not exceed five years except for the purchase of a primary residence, in which case, the loan term can be up to 20 years. Participants may not have more than one loan outstanding at any time. As of December 31, 2019, notes receivable from participants had maturities through 2024 at interest rates ranging from 3.25% to 7.5%.

Forfeited Accounts

Plan forfeitures are first applied to reduce nonelective employer contributions and then to reduce employer match contributions. Remaining forfeitures are used to pay plan expenses. During the year ended December 31, 2019, \$2,417 of forfeitures were used to reduce nonelective employer contributions. Forfeited nonvested accounts totaled approximately \$1,909 and \$1,962 at December 31, 2019 and 2018, respectively.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

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

Borchers Americas, Inc. 401(k) Plan

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2019 and 2018

Use of Estimates

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

Investment Valuation and Income Recognition

Investments are stated at fair value. Fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for 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 includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Management fees and operating expenses charged to the Plan for certain investments are reflected as a reduction of investment return for those investments.

Risks and Uncertainties

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

Administrative Expenses

Administrative expenses of the Plan are paid by the Plan or the Company, as provided in the Plan document.

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income on notes receivable from participants is recorded on the accrual basis. Delinquent participant loans are reclassified as distributions based upon the terms of the Plan document. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2019 or 2018.

NOTE 3 - INFORMATION CERTIFIED BY 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, the Trustee has certified that the following data included in the accompanying financial statements and supplemental schedules is complete and accurate:

- Investments, at fair value and notes receivable from participants as shown in the statements of net assets available for benefits as of December 31, 2019 and 2018.

Borchers Americas, Inc. 401(k) Plan

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2019 and 2018

- Investment income and interest income on notes receivable from participants as shown in the statement of changes in net assets available for benefits for the year ended December 31, 2019.
- Schedule H, Line 4i - Schedule of assets (held at end of year) as of December 31, 2019.

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

NOTE 4 - FAIR VALUE MEASUREMENTS

The Federal Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, provides a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 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; and
- Inputs that are derived principally from, or corroborated by, observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full-term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

The following is a description of valuation methodologies used for assets recorded at fair value.

Mutual Funds

Shares of registered investment companies (mutual funds) are valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-ended mutual funds that are registered with the

Borchers Americas, Inc. 401(k) Plan

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2019 and 2018

Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Self-Directed Brokerage Accounts

The Plan's investments include self-directed brokerage accounts which are used to purchase varying underlying investments in money market funds, mutual funds, and common stocks. The underlying investments of the self-directed brokerage accounts are valued as follows:

- Money market funds and mutual funds are valued at quoted market prices on publicly traded markets.
- Common stocks are valued at the closing price reported in the active market in which the individual security is traded.

Collective Trust Funds

These investments include five collective trusts for which the daily NAV is published on the NASDAQ; therefore, these investments are reported at Level 1 in the fair value hierarchy.

The Putnam Stable Value Fund is reported at NAV as the practical expedient to estimate fair value. The Putnam Stable Value Fund seeks to deliver immediate bond-like returns while seeking to maintain a stable NAV. The NAV is based on the fair value of the underlying investments held by the fund, less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV. Participant transactions (purchased and sales) may occur daily.

Were the Plan to initiate a full redemption of the Putnam Stable Value Fund, the investment advisor reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

Borchers Americas, Inc. 401(k) Plan

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2019 and 2018

The following tables set forth by level within the fair value hierarchy a summary of the Plan's investments measured at fair value on a recurring basis at December 31, 2019 and 2018.

December 31, 2019	Active Markets for Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Investments in the fair value hierarchy:				
Mutual funds	\$ 18,794,717	\$ -	\$ -	\$ 18,794,717
Collective trust funds	1,524,205			1,524,205
Self-directed brokerage accounts	393,948	-	-	393,948
Total investments in fair value hierarchy	20,712,870	-	-	20,712,870
Investments at NAV - Collective trust funds	-	-	-	713,365
Total investments	<u>\$ 20,712,870</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,426,235</u>

December 31, 2018	Active Markets for Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Investments in the fair value hierarchy:				
Mutual funds	\$ 11,996,996	\$ -	\$ -	\$ 11,996,996
Collective trust funds	773,856			773,856
Self-directed brokerage accounts	313,642	-	-	313,642
Total investments in fair value hierarchy	13,084,494	-	-	13,084,494
Investments at NAV - Collective trust funds	-	-	-	385,425
Total investments	<u>\$ 13,084,494</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,469,919</u>

Borchers Americas, Inc. 401(k) Plan

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2019 and 2018

Transfers Between Levels

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

Plan management evaluates the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits. There were no transfers during 2019 or 2018.

NOTE 5 - PARTY-IN-INTEREST TRANSACTIONS

During the year ended December 31, 2019, the Plan paid the Recordkeeper for recordkeeping services, and Kestra Investment Services LLC for investment advisory services. In addition, certain Plan investments are managed through the Recordkeeper self-directed brokerage platform. These transactions and notes receivable from participants qualify as party-in-interest transactions.

NOTE 6 - PLAN TERMINATION

Although it has not expressed any intention to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan, subject to the provisions set forth in ERISA. In the event that the Plan is terminated, affected participants would become 100% vested in their accounts.

NOTE 7 - FEDERAL INCOME TAX STATUS

On March 31, 2014, the Internal Revenue Service (IRS) stated that the prototype adopted by the Plan, as then designed, qualified under Section 401(a) of the Internal Revenue Code (IRC). The Plan has not received a determination letter specific to the Plan itself. Although the plan has since been amended, the Company and Plan management believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC and the Plan and related trust continue to be tax exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

U.S. GAAP requires Plan management to evaluate tax positions taken by the Plan and recognizes 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 December 31, 2019 and 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; however, there are currently no audits for any tax periods in progress.

Subsequent to year end, the Plan administrator determined that certain Plan operations were not in accordance with the Plan document or not in accordance with the IRC. The Plan administrator identified several operational failures affecting employer contributions to the Plan for the years 2017 through 2019. The Plan administrator has determined that such issues of noncompliance may be corrected via one of several correction programs available by the IRS rules and regulations. The Plan administrator intends to correct any issues of noncompliance in accordance with applicable regulatory guidelines and thus believes the Plan will remain in compliance with the IRC and will remain tax exempt.

Borchers Americas, Inc. 401(k) Plan

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2019 and 2018

NOTE 8 – DELINQUENT CONTRIBUTIONS

During 2019, the Company determined that it failed to remit certain employee contributions within the period prescribed by the Department of Labor (“DOL”) regulations. Management intends to complete correction of these delinquent contributions in 2020.

NOTE 9 - SUBSEQUENT EVENTS

The Plan has evaluated subsequent events through October 9, 2020, the date the financial statements were available to be issued.

On December 20, 2019, the Setting Every Community Up for Retirement Enhancement Act (SECURE Act) was signed into law. The SECURE Act increases the required minimum distribution age to seventy-two and permits qualified Plan participants to withdrawal penalty-free distributions of up to \$5,000 within a year of childbirth or adoption for certain qualified expenses. The Plan administrator has elected to adopt these provisions of the SECURE Act in 2020 and will amend the Plan pursuant to the regulations.

The 2019 novel coronavirus (or COVID-19) has adversely affected, and may continue to adversely affect economic activity globally, nationally, and locally. Following the COVID-19 outbreak in January 2020, the values of investment securities have declined. These economic and market conditions and other effects of the COVID-19 outbreak may continue to adversely affect the Plan. The extent of the adverse impact of the COVID-19 outbreak on the Plan’s participant account balances and the amounts reported in the statements of net assets available for benefits cannot be predicted at this time.

On January 28, 2020, the Company was acquired by Milliken & Company. In connection with the acquisition, the Plan will be merged into the Milliken Retirement Plan in December 2020.

On March 27, 2020, in response to COVID-19, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was signed into law. The CARES Act permits qualified Plan participants to withdraw penalty-free distributions of up to \$100,000 during 2020, allows for certain participant loan repayments to be delayed up to one year, and waives required minimum distributions for 2020. The Plan administrator has elected to adopt these provisions of the CARES Act and will amend the Plan pursuant to the regulations.

SUPPLEMENTAL SCHEDULES

Borchers Americas, Inc. 401(k) Plan

SCHEDULE H, PART IV, LINE 4a - SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS

Plan Number: 002

EIN: 34-1604066

For the year ended December 31, 2019

<u>Applicable Year</u>	<u>Participant Contributions Transferred Late to Plan</u>	<u>Total That Constitute Non-exempt Prohibited Transactions</u>			<u>Total Fully Corrected under VFCP and PTE 2002-51</u>
	<u>Check Here if Late Participant Loan Repayments are Included: ☒</u>	<u>Not Corrected</u>	<u>Contributions Corrected Outside VFCP</u>	<u>Contributions Pending Correction in VFCP</u>	
2019	43,455	38,542	4,913	-	-

Borchers Americas, Inc. 401(k) Plan

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

Plan Number: 002

EIN: 34-1604066

December 31, 2019

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Maturity Date, Rate of Interest, Collateral, and Par or Maturity Value	(d) Cost	(e) Current Value
	AMERICAN CENTURY MID CAP VALUE R6	Mutual Funds	**	47,346
	AMERICAN FUNDS 2020 TRGT DATE RETIRE R6	Mutual Funds	**	1,037,893
	AMERICAN FUNDS 2025 TRGT DATE RETIRE R6	Mutual Funds	**	3,224,281
	AMERICAN FUNDS 2030 TRGT DATE RETIRE R6	Mutual Funds	**	5,361,308
	AMERICAN FUNDS 2035 TRGT DATE RETIRE R6	Mutual Funds	**	3,866,926
	AMERICAN FUNDS 2040 TRGT DATE RETIRE R6	Mutual Funds	**	2,339,656
	AMERICAN FUNDS 2045 TRGT DATE RETIRE R6	Mutual Funds	**	1,165,518
	AMERICAN FUNDS 2050 TRGT DATE RETIRE R6	Mutual Funds	**	340,290
	AMERICAN FUNDS 2055 TRGT DATE RETIRE R6	Mutual Funds	**	149,299
	AMERICAN FUNDS 2060 TRGT DATE RETIRE R6	Mutual Funds	**	56,061
	AMERICAN FUNDS EUROPACIFIC GR R6	Mutual Funds	**	134,309
	BLACKROCK LOW DURATION BOND K	Mutual Funds	**	19,866
	JANUS HENDERSON VENTURE N	Mutual Funds	**	686,534
	NUVEEN SMALL CAP VALUE R6	Mutual Funds	**	57,517
	PGIM TOTAL RETURN BOND Z	Mutual Funds	**	204,587
	PIONEER SELECT MID CAP GROWTH K	Mutual Funds	**	103,326
	Total mutual funds			18,794,717
*	EMPOWER SDBA	SDBA	**	393,948
	Total self-directed brokerage accounts			393,948
	BLACKROCK EQUITY INDEX FUND R	Collective trust fund	**	464,616
	BLACKROCK MID CAP EQUITY INDEX FUND R	Collective trust fund	**	272,887
	BLACKROCK RUSSELL 1000 GROWTH R	Collective trust fund	**	389,176
	BLACKROCK RUSSELL 1000 VALUE R	Collective trust fund	**	345,237
	BLACKROCK RUSSELL 2000 INDEX FUND R	Collective trust fund	**	52,289
	PUTNAM STABLE VALUE FUND	Collective trust fund	**	713,365
	Total collective trust funds			2,237,570
	Total investments			21,426,235
*	Notes receivable from participants	Interest rates of 3.25% to 7.5%, maturing at various dates through September 2024		296,484
	Total assets			\$ 21,722,719
*	Party-in-interest to the Plan.			
**	Cost information has been omitted because plan investments are participant directed.			

Name of Plan:

Employer Identification No.: ► 34-1604066

Plan year (beginning/ending):▶ 01/01/2019-12/31/2019 Plan number: ▶ 002

[illegible]

SCHEDULE OF ASSETS (HELD AT END OF YEAR)**Borchers Americas, Inc. 401(k) Plan****01-JAN-19 to 31-DEC-19****30-JAN-20 16:36:09**

INVESTMENT OPTION	MATURITY DATE	INTEREST RATE	COST OF ASSETS	CURRENT VALUE
1RRCTX			980,387.02	1,037,892.93
1RFDTX			2,989,714.89	3,224,281.12
1RFETX			4,898,338.95	5,361,308.07
1RFFTX			3,446,797.68	3,866,925.74
1RFGTX			2,080,588.97	2,339,656.07
1RFHTX			1,067,517.39	1,165,518.47
1RFITX			302,709.55	340,289.76
1RFKTX			135,747.31	149,299.27
1RFUTX			50,112.81	56,061.14
1RERGX			125,374.43	134,309.22
1WTSCER			45,571.03	52,288.92
1JVTNX			627,219.61	686,534.29
1FSCWX			54,131.96	57,516.64
1AMDVX			42,566.09	47,346.07
1WTMCER			235,549.77	272,886.50
1PSMKX			88,116.87	103,326.20
1WTEQR			389,513.24	464,616.22
1WT1GRI			306,688.11	389,175.94
1WT1VLI			291,032.44	345,237.32
1CLDBX			19,885.38	19,865.66
1PDBZX			207,357.57	204,586.60
1SDBEMP			393,907.96	393,907.96
1SDBEMR			40.44	40.44
1PCSV25			711,402.84	711,402.84
			19,490,272.31	21,424,273.39
PARTICIPANT LOANS	VARIOUS	3.250-7.500	296,430.92	296,483.94
FORFEITURES			1,961.67	1,961.67

SCHEDULE OF ASSETS (HELD AT END OF YEAR)

GA

Borchers Americas, Inc. 401(k) Plan

01-JAN-19 to 31-DEC-19

30-JAN-20 16:36:09

INVESTMENT OPTION	MATURITY DATE	INTEREST RATE	COST OF ASSETS	CURRENT VALUE
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LEGEND

INVESTMENT OPTION:

1RRCTX American Funds 2020 Trgt Date Retire R6
 1RFETX American Funds 2030 Trgt Date Retire R6
 1RFGTX American Funds 2040 Trgt Date Retire R6
 1RFITX American Funds 2050 Trgt Date Retire R6
 1RFUTX American Funds 2060 Trgt Date Retire R6
 1WTSCER BlackRock Russell 2000 Index Fund R
 1FSCWX Nuveen Small Cap Value R6
 1WTMCER BlackRock Mid Cap Equity Index Fund R
 1WTEQR BlackRock Equity Index Fund R
 1WT1VLI BlackRock Russell 1000 Value R
 1PDBZX PGIM Total Return Bond Z
 1SDBEMR Empower SDB Roth

1RFDTX American Funds 2025 Trgt Date Retire R6
 1RFFTX American Funds 2035 Trgt Date Retire R6
 1RFHTX American Funds 2045 Trgt Date Retire R6
 1RFKTX American Funds 2055 Trgt Date Retire R6
 1RERGX American Funds EuroPacific Gr R6
 1JVTNX Janus Henderson Venture N
 1AMDVX American Century Mid Cap Value R6
 1PSMKX Pioneer Select Mid Cap Growth K
 1WT1GRI BlackRock Russell 1000 Growth R
 1CLDBX BlackRock Low Duration Bond K
 1SDBEMP Empower SDB
 1PCSV25 Putnam Stable Value Fund

COST OF ASSETS: The original cost of the assets in each investment option as of the last day of the plan year

CURRENT VALUE: The value of all assets in each investment option as of the last day of the plan year