# 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
RUDOLPH CHEVROLET, LLC 401(K) PLAN

**1b** Three-digit plan number (PN) ▶ 002

**1c** Effective date of plan 03/01/1994

**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)
RUDOLPH CHEVROLET, LLC

5625 S DESERT BLVD
EL PASO, TX 79932

**2b** Employer Identification Number (EIN) 74-1366397

**2c** Plan Sponsor's telephone number 915-544-4321

**2d** Business code (see instructions) 441110

**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. | 10/14/2020 | DENNIS NEESSEN |
| | **Signature of plan administrator** | Date | Enter name of individual signing as plan administrator |
| **SIGN HERE** | Filed with authorized/valid electronic signature. | 10/14/2020 | DENNIS NEESSEN |
| | **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:<br>**a** Sponsor's name<br>**c** Plan Name | **4b** EIN<br>**4d** PN | |
| **5** Total number of participants at the beginning of the plan year | **5** | 346 |
| **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)** | 266 |
| **a(2)** Total number of active participants at the end of the plan year | **6a(2)** | 249 |
| **b** Retired or separated participants receiving benefits | **6b** | 5 |
| **c** Other retired or separated participants entitled to future benefits | **6c** | 79 |
| **d** Subtotal. Add lines **6a(2)**, **6b**, and **6c** | **6d** | 333 |
| **e** Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. | **6e** | 0 |
| **f** Total. Add lines **6d** and **6e**. | **6f** | 333 |
| **g** Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | 272 |
| **h** Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 9 |
| **7** Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | **7** | |

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

2E 2F 2G 2J 2K 2T 3D 3H

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

| **9a** Plan funding arrangement (check all that apply) | | **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)** [ ] ___ **A** (Insurance Information)
- **(4)** [X] **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) | Service Provider Information | OMB No. 1210-0110 |
|---|---|---|
| Department of the Treasury<br>Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br>▶ **File as an attachment to Form 5500.** | **2019**<br>**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
RUDOLPH CHEVROLET, LLC 401(K) PLAN

**B** Three-digit plan number (PN) ▶ 002

**C** Plan sponsor's name as shown on line 2a of Form 5500
RUDOLPH CHEVROLET, LLC

**D** Employer Identification Number (EIN)
74-1366397

## Part I Service Provider Information (see instructions)

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

### 1 Information on Persons Receiving Only Eligible Indirect Compensation

**a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . ☐ Yes ☒ No

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

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

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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)

GUERRA INVESTMENT ADVISORS

201 E. MAIN STREET
SUITE 1200
EL PASO, TX 79901

| (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 | 31715 | Yes [ ] No [X] | Yes [ ] No [ ] | | Yes [ ] No [ ] |

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

AUSTIN CAPITAL RETIREMENT PLAN SVCS

1601 ELM STREET
SUITE 4310
DALLAS, TX 75201

| (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 15 | TPA RECORDKEEPER | 15531 | Yes [ ] No [X] | Yes [ ] No [ ] | | Yes [ ] No [ ] |

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

TD AMERITRADE COMPANY

20-0937408

| (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? |
|---|---|---|---|---|---|---|
| 19 | CUSTODIAN | 5565 | Yes [X] No [ ] | Yes [X] No [ ] | 0 | Yes [X] No [ ] |

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

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

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

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

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

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

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

## Part I Service Provider Information (continued)

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

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| TD AMERITRADE COMPANY | 19 | 0 |
| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. | |
| TD BANK USA, N.A.<br><br>13-3732274 | SEE ATTACHED LETTER FROM TD AMERITRADE DESCRIBING FORMULA. | |

| **(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 |
|---|---|---|
| | | |

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

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

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

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

## Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

| | |
|---|---|
| **a** Name: | **b** EIN: |
| **c** Position: | |
| **d** Address: | **e** Telephone: |

Explanation:

| | |
|---|---|
| **a** Name: | **b** EIN: |
| **c** Position: | |
| **d** Address: | **e** Telephone: |

Explanation:

| | |
|---|---|
| **a** Name: | **b** EIN: |
| **c** Position: | |
| **d** Address: | **e** Telephone: |

Explanation:

| | |
|---|---|
| **a** Name: | **b** EIN: |
| **c** Position: | |
| **d** Address: | **e** Telephone: |

Explanation:

| | |
|---|---|
| **a** Name: | **b** EIN: |
| **c** Position: | |
| **d** Address: | **e** Telephone: |

Explanation:

# 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
RUDOLPH CHEVROLET, LLC 401(K) PLAN

**B** Three-digit plan number (PN) ▶ 002

**C** Plan sponsor's name as shown on line 2a of Form 5500
RUDOLPH CHEVROLET, LLC

**D** Employer Identification Number (EIN)
74-1366397

## 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 | | 5734 |
| **b** Receivables (less allowance for doubtful accounts): | | | |
| **(1)** Employer contributions | 1b(1) | | |
| **(2)** Participant contributions | 1b(2) | 13991 | 14194 |
| **(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) | 412225 | 341254 |
| **(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) | 5786786 | 7075562 |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | | |
| **(15)** Other | 1c(15) | | |

| | | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|---|
| **1d** | Employer-related investments: | | | |
| | **(1)** Employer securities | 1d(1) | | |
| | **(2)** Employer real property | 1d(2) | | |
| **e** | Buildings and other property used in plan operation | 1e | | |
| **f** | Total assets (add all amounts in lines 1a through 1e) | 1f | 6213002 | 7436744 |
| | **Liabilities** | | | |
| **g** | Benefit claims payable | 1g | | |
| **h** | Operating payables | 1h | | |
| **i** | Acquisition indebtedness | 1i | | |
| **j** | Other liabilities | 1j | | 978 |
| **k** | Total liabilities (add all amounts in lines 1g through1j) | 1k | 0 | 978 |
| | **Net Assets** | | | |
| **l** | Net assets (subtract line 1k from line 1f) | 1l | 6213002 | 7435766 |

## 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) | | |
| | **(B)** Participants | 2a(1)(B) | 434657 | |
| | **(C)** Others (including rollovers) | 2a(1)(C) | 3538 | |
| | **(2)** Noncash contributions | 2a(2) | | |
| | **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 438195 |
| **b** | **Earnings on investments:** | | | |
| | **(1)** Interest: | | | |
| | **(A)** Interest-bearing cash (including money market accounts and certificates of deposit) | 2b(1)(A) | | |
| | **(B)** U.S. Government securities | 2b(1)(B) | | |
| | **(C)** Corporate debt instruments | 2b(1)(C) | | |
| | **(D)** Loans (other than to participants) | 2b(1)(D) | | |
| | **(E)** Participant loans | 2b(1)(E) | 20972 | |
| | **(F)** Other | 2b(1)(F) | | |
| | **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 20972 |
| | **(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) | 165047 | |
| | **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | 165047 |
| | **(3)** Rents | 2b(3) | | |
| | **(4)** Net gain (loss) on sale of assets: **(A)** Aggregate proceeds | 2b(4)(A) | | |
| | **(B)** Aggregate carrying amount (see instructions) | 2b(4)(B) | | |
| | **(C)** Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result | 2b(4)(C) | | 0 |
| | **(5)** Unrealized appreciation (depreciation) of assets: **(A)** Real estate | 2b(5)(A) | | |
| | **(B)** Other | 2b(5)(B) | | |
| | **(C)** Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)** | 2b(5)(C) | | 0 |

| | | (a) Amount | (b) Total |
|---|---|---|---|
| **(6)** Net investment gain (loss) from common/collective trusts | 2b(6) | | |
| **(7)** Net investment gain (loss) from pooled separate accounts | 2b(7) | | |
| **(8)** Net investment gain (loss) from master trust investment accounts | 2b(8) | | |
| **(9)** Net investment gain (loss) from 103-12 investment entities | 2b(9) | | |
| **(10)** Net investment gain (loss) from registered investment companies (e.g., mutual funds) | 2b(10) | | 1035713 |
| **c** Other income | 2c | | |
| **d** Total income. Add all **income** amounts in column (b) and enter total | 2d | | 1659927 |
| **Expenses** | | | |
| **e** Benefit payment and payments to provide benefits: | | | |
| **(1)** Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 317673 | |
| **(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) | | 317673 |
| **f** Corrective distributions (see instructions) | 2f | | 978 |
| **g** Certain deemed distributions of participant loans (see instructions) | 2g | | 65701 |
| **h** Interest expense | 2h | | |
| **i** Administrative expenses: **(1)** Professional fees | 2i(1) | 15531 | |
| **(2)** Contract administrator fees | 2i(2) | 5565 | |
| **(3)** Investment advisory and management fees | 2i(3) | 31715 | |
| **(4)** Other | 2i(4) | | |
| **(5)** Total administrative expenses. Add lines **2i(1)** through **(4)** | 2i(5) | | 52811 |
| **j** Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 437163 |
| **Net Income and Reconciliation** | | | |
| **k** Net income (loss). Subtract line **2j** from line **2d** | 2k | | 1222764 |
| **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: ATKINSON & CO., LTD. **(2)** EIN: 85-0211867

**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 | | 500000 |
| f | Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | 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 | 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.**

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

**A** Name of plan
RUDOLPH CHEVROLET, LLC 401(K) PLAN

**B** Three-digit plan number (PN) ▶ 002

**C** Plan sponsor's name as shown on line 2a of Form 5500
RUDOLPH CHEVROLET, LLC

**D** Employer Identification Number (EIN)
74-1366397

## Part I Distributions

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

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

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

EIN(s): 20-0937408 75-3182674

**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_____

atkinson

Precise.

Personal.

Proactive.

# RUDOLPH CHEVROLET, LLC
# 401(K) PLAN

## FINANCIAL STATEMENTS AND REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

**December 31, 2019 and 2018**

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CERTIFIED PUBLIC ACCOUNTANTS | CONSULTANTS

**C O N T E N T S**


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CERTIFIED PUBLIC ACCOUNTANTS | CONSULTANTS

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# REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Trustees
Rudolph Chevrolet, LLC
401(k) Plan

## Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Rudolph Chevrolet, LLC 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.

## Managements' 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 audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

## Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note H, which was certified by Matrix Trust Company and TD Ameritrade Trust Company, the custodians of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan Administrator that Matrix Trust Company held the Plan's investment assets and executed investment transactions from December 5, 2019 to December 31, 2019, and that TD Ameritrade Trust Company held the Plan's investment assets

and executed investment transactions as of December 31, 2018, and for the period January 1, 2019 to December 4, 2019. The Plan Administrator has obtained a certification from the custodians as of and for the years ended December 31, 2019 and 2018, that the information provided to the Plan Administrator by the custodians is complete and accurate.

**Disclaimer of Opinion**

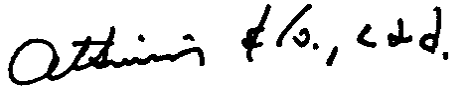
Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

**Other Matter**

The supplemental Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2019, is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule referred to above.

**Report on Form and Content in Compliance with DOL Rules and Regulations**

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the custodians, 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.



**Atkinson & Co., Ltd.**

Albuquerque, New Mexico
October 14, 2020

Rudolph Chevrolet, LLC
401(k) Plan

## STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31,

### ASSETS

| | 2019 | 2018 |
|---|---|---|
| CASH | $ 5,734 | $ - |
| INVESTMENTS - Mutual funds, at fair value | 7,075,562 | 5,786,786 |
| RECEIVABLES | | |
| Notes receivable from participants | 341,254 | 412,225 |
| Participant deferrals | 14,194 | 13,991 |
| Total receivables | 355,448 | 426,216 |
| Total assets | 7,436,744 | 6,213,002 |

### LIABILITIES

| | | |
|---|---|---|
| Excess aggregate contributions payable | 978 | - |
| Total liabilities | 978 | - |
| Net assets available for benefits | $ 7,435,766 | $ 6,213,002 |

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

Rudolph Chevrolet, LLC
401(k) Plan

## STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

For the Year Ended December 31, 2019

| | | |
|---|---|---|
| ADDITIONS | | |
| Additions to net assets attributed to: | | |
| Net appreciation in fair value of investments | $ | 1,035,713 |
| Interest and dividends from investments | | 165,047 |
| Interest from notes receivable | | 20,972 |
| Total investment and notes receivable income | | 1,221,732 |
| Contributions | | |
| Participant deferral contributions | | 434,657 |
| Participant rollover contributions | | 3,538 |
| Total contribution income | | 438,195 |
| Total additions | | 1,659,927 |
| DEDUCTIONS | | |
| Deductions from net assets attributed to: | | |
| Benefits paid to participants | | 317,673 |
| Participant loan defaults | | 65,701 |
| Administrative expenses | | 52,811 |
| Excess deferrals | | 978 |
| Total deductions | | 437,163 |
| Net increase in net assets available for benefits | | 1,222,764 |
| Net assets available for benefits, beginning of the year | | 6,213,002 |
| Net assets available for benefits, end of the year | $ | 7,435,766 |

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

# NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

## NOTE A – PLAN DESCRIPTION

The following description of the Rudolph Chevrolet, LLC (the Plan Sponsor, Administrator, or Company) 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

1. General

The Plan is established for the benefit of the employees of Rudolph Chevrolet, LLC, Rudolph Imports, LLC, Rudolph Automotive, LLC, Rudolph West, LLC, South Desert Collision Center, LLC and Rudolph Enterprises, LLC (the Companies). During 2018, Rudolph Automotive, LLC ceased substantially all operations. The Plan and the trust of which it is a part are intended to satisfy all of the requirements for a qualified retirement plan under the appropriate provisions of the Internal Revenue Code (IRC). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

2. Eligibility

The Plan covers all employees of the Companies, except employees covered by a collective bargaining agreement and certain non-resident aliens, who have reached twenty-one years of age and have completed one year of service (1,000 hours).

3. Contributions

Each year participants may elect to contribute a portion of their pre-tax compensation, as defined, to the Plan. Participants may also roll over amounts representing distributions from other qualified defined benefit or defined contribution plans. Participants direct the investment of their contributions into various investment options offered by the Plan. The Companies may make discretionary matching and/or discretionary profit sharing contributions at year-end for eligible employees who have completed at least 1,000 hours of service and are employed on the last day of the Plan year. Matching contributions may also be made based on a percentage of eligible compensation during the year at the discretion of the Plan Sponsor. Contributions are subject to certain limitations. The Companies did not elect to make a matching contribution, discretionary matching contribution or discretionary profit sharing contribution for the year ended December 31, 2019.

4. Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of (a) the Companies' contributions, (b) Plan earnings, and (c) charged with administrative expenses and forfeitures, as applicable. Allocations are based on participant 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.

## NOTE A – PLAN DESCRIPTION – CONTINUED

5. Vesting

Participants are immediately vested in their salary deferral contributions plus actual earnings thereon. Vesting in the Companies' discretionary matching and profit sharing contribution portion of the accounts plus actual earnings thereon is based on years of continuous service. Participants vest at a rate of 20% per year, commencing on completion of their second year. Participants become 100% vested in the Companies' discretionary matching and profit sharing contributions after six years of service. A participant becomes fully vested upon the earliest of the completion of six years, termination due to death or disability, upon attaining normal retirement age as defined by the Plan, or upon a full or partial termination of the Plan.

6. Investment Options

Participants may direct their salary deferral contributions to one or more of the selected investments as made available and determined by the Plan Administrator. Participants may change their investment options on-line at any time.

7. Notes Receivable from Participants

Participants may borrow from their accounts a minimum of $1,000 and a maximum equal to the lesser of 50% of their vested account balance or $50,000. Participants may have a maximum of two notes outstanding at a time. Notes receivable transactions are treated as a transfer to (from) investment funds from (to) the participant notes receivable fund. Notes receivable terms range from one to five years unless a note receivable is for the purchase of a primary residence, in which case the note receivable may extend beyond five years. The notes receivable are secured by the balances in the respective participant's accounts and bear interest at a rate commensurate with local prevailing rates as determined by the Plan Administrator. Principal and interest are typically paid ratably through payroll deductions.

8. Payment of Benefits

The Plan allows for hardship distributions, in-service distributions, and retirement distributions. Upon termination of service, a participant receives a lump-sum amount equal to the value of their vested account balance. The amount of any hardship distribution is the amount needed to meet the immediate financial hardship, subject to vested account limitations.

9. Forfeited Accounts and Unallocated Balances

Forfeited balances may be used to first pay any administrative expenses. Any remaining forfeitures attributable to non-elective contributions will be used to reduce any future non-elective contributions. Any remaining forfeitures attributable to non-elective contributions will be allocated as an additional discretionary matching contribution. The unallocated forfeiture balances were $1,845 and $481 at December 31, 2019 and 2018, respectively.

## NOTES TO FINANCIAL STATEMENTS – CONTINUED

December 31, 2019 and 2018

## NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Accounting

The financial statements of the Plan are prepared under the accrual method of accounting in accordance with U.S. generally accepted accounting principles.

2. Use of Estimates

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

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 such changes could materially affect the amounts reported in the Statements of Net Assets Available for Benefits.

3. Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note F 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.

4. Payment of Benefits

Benefits are recorded when paid.

5. Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Notes receivable go into default if any payment remains unpaid beyond the last day of the calendar quarter following the calendar quarter in which the participant missed the scheduled payment or if the participant makes or furnishes any false representation or statement to the Plan. Defaulted notes receivable are reclassified as distributions based upon the terms of the Plan document. Interest income is recognized as earned.

## NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

6. Income Taxes

U.S. generally accepted accounting principles require Plan management to evaluate tax positions taken by the Plan and recognize a liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service (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 asset) or disclosure in the financial statements. The Plan's policy is to classify income tax penalties and interest, when applicable, as miscellaneous expense (although such amounts would be paid by the Companies). The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Due to the statutes of limitation, the Plan is no longer subject to examinations for years ended before 2016.

7. Subsequent Events

Subsequent events have been evaluated through October 14, 2020, the date the financial statements were available to be issued, to determine whether such events should be recorded or disclosed in the financial statements. Management believes that there have been no material subsequent events that have arisen that would require adjustment or disclosure, other than that discussed in Notes I and K.

## NOTE C – ADMINISTRATIVE EXPENSES

The Plan incurred $52,811 in Plan expenses for the year ended December 31, 2019. None of the Plan expenses were paid with forfeitures.

Certain administrative functions are performed by officers or employees of the Companies. No such officer or employee receives compensation from the Plan. Certain other administrative expenses are paid directly by the Companies if the forfeiture account balance is insufficient to cover them. For the year ended December 31, 2019, $26,183 in administrative expenses were paid by the Companies. The Company does provide certain accounting and administrative services for which no fees are charged.

## NOTE D – TAX STATUS

The Plan is a prototype plan which obtained its latest opinion letter on September 30, 2014, in which the IRS stated that the Plan, as designed, was in compliance with the applicable requirements of the Internal Revenue Code (IRC). The Plan has been restated since receiving the opinion letter. However, the Plan Administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC, and the related trust is tax exempt.

## NOTE E – PLAN TERMINATION

Although it has not expressed any intent to do so, the Companies have the right under the Plan to discontinue their contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts. Any unallocated assets of the Plan shall be allocated to participant accounts and distributed in such manner as the Companies may determine.

## NOTE F – FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

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

Level 2 Inputs to the valuation methodology include:

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

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.

## NOTE F – FAIR VALUE MEASUREMENTS – CONTINUED

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodology used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2019 and 2018:

> *Mutual funds*: Valued at the net asset value (NAV) of shares based on quoted published prices held by the Plan at year-end.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan 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 table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2019 and 2018:

***Fair Values as of December 31, 2019***

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Mutual funds | $ 7,075,562 | $ - | $ - | $ 7,075,562 |

***Fair Values as of December 31, 2018***

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Mutual funds | $ 5,786,786 | $ - | $ - | $ 5,786,786 |

## NOTE G – RELATED PARTY TRANSACTIONS

During 2019 and 2018, the Plan's investments were held by TD Ameritrade Trust Company, and in 2019 by Matrix Trust Company; therefore, certain investment transactions with funds managed by them may qualify as party-in-interest transactions. The Plan paid certain administrative fees to TD Ameritrade and Matrix Trust Company, and the Plan Sponsor paid certain administrative fees on behalf of the Plan (see Note C).

All of these party-in-interest transactions are exempt from the prohibited transaction rules under ERISA.

## NOTE H – INFORMATION PREPARED AND CERTIFIED BY MATRIX TRUST COMPANY AND TD AMERITRADE TRUST COMPANY

The Plan Administrator has elected the method of compliance 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 (ERISA). Accordingly, as permitted under such election, the Plan Administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to the following information certified by Matrix Trust Company and TD Ameritrade Trust Company as complete and accurate, except for comparing such information certified to information included in the Plan's financial statements and supplemental schedule:

- Investments, as shown in the Statements of Net Assets Available for Benefits, as of December 31, 2019 and 2018.

- Net appreciation in fair value of investments and interest and dividends from investments and interest income from notes receivable as shown in the Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2019.

- Investment information included in Note F and investment information in the supplemental Schedule H, Line 4i - Schedule of Assets (Held at End of Year).

## NOTE I – SUBSEQUENT EFFECTS OF LEGISLATION

The Plan intends to implement certain requirements by the Setting Every Community Up for Retirement Enhancement Act of 2019 (the SECURE Act) and the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act). Both acts address required minimum distributions. Beginning January 1, 2020, required minimum distributions may be waived throughout the 2020 calendar year. In addition, for participants who have not yet reached age 70½ as of December 31, 2019, eligibility criteria for required minimum distributions has been delayed to age 72. 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.

## NOTE I – SUBSEQUENT EFFECTS OF LEGISLATION – CONTINUED

The Plan also intends to implement hardship distribution provisions of the Bipartisan Budget Act of 2018 (the Act). The Act expanded the list of expenses which qualify for a hardship distribution, as well as the sub-accounts held by the Plan that are eligible to be withdrawn on account of a hardship. Participants will also no longer be required to obtain a non-taxable loan from the Plan prior to taking a hardship withdrawal, or to suspend elective deferrals after taking a hardship withdrawal.

## NOTE J – CHANGE IN SERVICE PROVIDERS

Effective December 5, 2019, the Plan changed custodial and recordkeeper service providers. Custodial services transferred from TD Ameritrade Trust Company to Matrix Trust Company.

## NOTE K – COVID-19 PANDEMIC

The COVID-19 pandemic during 2020 has significantly disrupted financial markets, economies and other events, subsequent to December 31, 2019. As noted in Note B2, investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect the amounts reported in the Statements of Net Assets Available for Benefits and the Statement of Changes in Net Assets Available for Benefits.

Subsequent to December 31, 2019, the impact to the Plan of the COVID-19 pandemic during 2020 has resulted in significant reductions in values to many investments of the Plan. While management of the Plan currently expects to be able to continue to meet immediate contribution requirements, the long-term impact of the effects of the COVID-19 pandemic to the Plan and Plan sponsor as well as any relief from regulatory authorities are currently not known. The extent of the adverse impact of the COVID-19 pandemic on the Plan's net assets available for benefits cannot be reasonably estimated at this time.

# SUPPLEMENTARY INFORMATION

Rudolph Chevrolet, LLC
401(k) Plan

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

December 31, 2019

| (a) | (b) Identity of issuer, borrower, lessor, or similar party | (c) Description of investment, including maturity date, par, or maturity value | (d) Cost | (e) Current value |
|---|---|---|---|---|
| | Vanguard | VANGUARD TARGET RETIREMENT 2025 FUND | ** | $ 2,777,575 |
| | Vanguard | VANGUARD TARGET RETIREMENT 2035 FUND | ** | 1,608,491 |
| | Vanguard | VANGUARD TARGET RETIREMENT 2045 FUND | ** | 1,145,334 |
| | Vanguard | VANGUARD TARGET RETIREMENT 2050 FUND | ** | 543,909 |
| | Vanguard | VANGUARD TARGET RETIREMENT INCOME FUND | ** | 420,224 |
| | Barclays | SPDR BARCLAYS CAP INV GR FLOATING RT | ** | 225,353 |
| | Invesco | S&P 500 LOW VOLATILITY ETF | ** | 54,686 |
| | Invesco | S&P MIDCAP LOW VOLATILITY ETF | ** | 43,179 |
| | First Trust | FIRST TRUST DORSEY WRIGHT FOCUS 5 ETF | ** | 40,877 |
| | iShares | ISHARES CORE S&P 500 ETF | ** | 40,735 |
| | Vanguard | VANGUARD TOTAL BOND MARKET ETF | ** | 33,704 |
| | Invesco | S&P SMALLCAP LOW VOLATILITY ETF | ** | 20,838 |
| | Vanguard | VANGUARD FTSE DEVELOPED MARKETS ETF | ** | 17,754 |
| | Vanguard | VANGUARD FTSE EMERGING MARKETS ETF | ** | 15,010 |
| | iShares | TIPS BOND ETF | ** | 10,842 |
| | iShares | ISHARES CORE S&P MID-CAP ETF | ** | 10,602 |
| | Vanguard | VANGUARD SMALL-CAP VALUE ETF | ** | 10,047 |
| | iShares | ISHARES TR RUSSELL MID-CAP VALUE ETF | ** | 8,941 |
| | Vanguard | VANGUARD TARGET RETIREMENT 2015 FUND | ** | 8,259 |
| | Vanguard | VANGUARD INDEX FDS REIT ETF | ** | 7,204 |
| | iShares | ISHARES BARCLAYS HIGH YIELD BOND ETF | ** | 6,483 |
| | Matrix Trust | Cash | ** | 5,734 |
| | iShares | ISHARES TR RUSSELL 1000 VALUE INDEX FUND | ** | 5,708 |
| | iShares | ISHARES TR RUSSELL 1000 GRW ETF | ** | 5,547 |
| | Vanguard | VANGUARD SMALL-CAP GROWTH ETF | ** | 5,485 |
| | Vanguard | VANGUARD TARGET RETIREMENT 2040 FUND | ** | 2,967 |
| | State Street | TECHNOLOGY SELECT SECTOR SPDR | ** | 2,126 |
| | Vanguard | VANGUARD TARGET RETIREMENT 2030 FUND | ** | 2,079 |
| | State Street | FINANCIAL SELECT SECTOR SPDR | ** | 1,376 |
| | Vanguard | VANGUARD TARGET RETIREMENT 2020 FUND | ** | 227 |
| | Notes receivable from participants with interest rates ranging from 4.25% to 6.50% and maturity dates ranging between 2020-2024 | | - 0 - | 341,254 |
| | | | | $ 7,422,550 |

* Indicates a party-in-interest
** Cost omitted for participant-directed investments

ATKINSON & CO. LTD
CERTIFIED PUBLIC ACCOUNTANTS | CONSULTANTS

6501 AMERICAS PARKWAY NE
SUITE 700
ALBUQUERQUE, NM 87110

T 505 843 6492
F 505 843 6817
ATKINSONCPA.COM

**Account Information**

Name: RUDOLPH CHEVROLET 401K PLAN
Account#: 07C68RF5
Period: 01/01/2019 - 12/31/2019

## Portfolio Holdings Report:

| | CUSIP | Units | Price | Current MV | % of Porfolio | Tax Cost | Unreal. G/L | Current Yld |
|---|---|---|---|---|---|---|---|---|
| **Cash** | | | | | | | | |
| Cash | | | | 5,733.79 | 0.08 | | | |
| ***Subtotal:*** | | | | ***5,733.79*** | ***0.08*** | | | |
| **Total Cash** | | | | 5,733.79 | 0.08 | | | |
| **Mutual Funds** | | | | | | | | |
| VANGUARD TARGET RETIREMENT 2015 | 92202E300 | 544.0530 | 15.18 | 8,258.72 | 0.12 | 8,534.77 | (276.04) | 0.00 |
| VANGUARD TARGET RETIREMENT 2020 | 92202E805 | 6.9510 | 32.53 | 226.12 | 0.00 | 229.86 | (3.75) | 0.00 |
| VANGUARD TARGET RETIREMENT 2025 | 92202E409 | 139,998.7380 | 19.84 | 2,777,574.96 | 39.22 | 2,792,166.41 | (14,591.45) | 0.00 |
| VANGUARD TARGET RETIREMENT 2030 | 92202E888 | 57.0270 | 36.45 | 2,078.63 | 0.03 | 2,080.28 | (1.65) | 0.00 |
| VANGUARD TARGET RETIREMENT 2035 | 92202E508 | 71,424.9880 | 22.52 | 1,608,490.73 | 22.71 | 1,604,828.47 | 3,662.26 | 0.00 |
| VANGUARD TARGET RETIREMENT 2040 | 92202E870 | 75.8350 | 39.13 | 2,967.42 | 0.04 | 2,955.05 | 12.38 | 0.00 |
| VANGUARD TARGET RETIREMENT 2045 | 92202E607 | 46,369.7800 | 24.70 | 1,145,333.57 | 16.17 | 1,136,917.52 | 8,416.05 | 0.00 |
| VANGUARD TARGET RETIREMENT 2050 | 92202E862 | 13,676.3690 | 39.77 | 543,909.20 | 7.68 | 539,590.25 | 4,318.94 | 0.00 |
| VANGUARD TARGET RETIREMENT INCOME | 92202E102 | 29,909.2030 | 14.05 | 420,224.30 | 5.93 | 420,385.92 | (161.62) | 0.00 |
| ***Subtotal:*** | | | | ***6,509,063.65*** | ***91.92*** | ***6,507,688.53*** | | |
| **Public stocks** | | | | | | | | |
| FIRST TRUST DORSEY WRIGHT FOCUS FIVE FUND | 33738R605 | 1,295.2250 | 31.56 | 40,877.30 | 0.58 | 39,418.69 | 1,458.61 | 0.56 |
| INVESCO S&P 500® LOW VOLATILITY ETF | 46138E354 | 937.3690 | 58.34 | 54,686.11 | 0.77 | 53,836.21 | 849.90 | 2.08 |
| INVESCO S&P MIDCAP LOW VOLATILITY ETF | 46138E198 | 802.4410 | 53.81 | 43,179.35 | 0.61 | 42,908.57 | 270.78 | 2.02 |
| INVESCO S&P SMALLCAP LOW VOLATILITY ETF | 46138G102 | 409.5450 | 50.88 | 20,837.65 | 0.29 | 20,632.66 | 204.99 | 2.43 |
| ISHARES CORE S&P 500 ETF | 464287200 | 126.0200 | 323.24 | 40,734.70 | 0.58 | 39,560.35 | 1,174.36 | 1.85 |

**Account Information**

Name: RUDOLPH CHEVROLET 401K PLAN
Account#: 07C68RF5
Period: 01/01/2019 - 12/31/2019

## Portfolio Holdings Report:

| | CUSIP | Units | Price | Current MV | % of Porfolio | Tax Cost | Unreal. G/L | Current Yld |
|---|---|---|---|---|---|---|---|---|
| ISHARES CORE S&P MID CAP | 464287507 | 51.5120 | 205.82 | 10,602.20 | 0.15 | 10,329.42 | 272.78 | 1.63 |
| ISHARES RUSSELL MIDCAP VALUE INDEX FUND | 464287473 | 94.3410 | 94.77 | 8,940.70 | 0.13 | 8,695.34 | 245.36 | 0.00 |
| iShares TIPS Bond ETF | 464287176 | 93.0120 | 116.57 | 10,842.41 | 0.15 | 10,843.39 | (0.98) | 1.75 |
| ISHARES TR RUSSELL 1000 GROWTH | 464287614 | 31.5320 | 175.92 | 5,547.11 | 0.08 | 5,351.30 | 195.81 | 0.99 |
| ISHARES TR RUSSELL 1000 VALUE | 464287598 | 41.8210 | 136.48 | 5,707.73 | 0.08 | 5,584.08 | 123.65 | 2.27 |
| SELECT SECTOR SPDR TR SBI INT FINL | 81369Y605 | 44.6940 | 30.78 | 1,375.68 | 0.02 | 1,340.96 | 34.73 | 1.87 |
| SPDR BARCLAYS INV GRADE FLOAT RATE | 78468R200 | 7,333.3260 | 30.73 | 225,353.11 | 3.18 | 225,282.27 | 70.84 | 2.76 |
| SPDR BLOOMBERG BARCLAYS HIGH YIELD BOND ETF | 78468R622 | 59.1850 | 109.54 | 6,483.12 | 0.09 | 6,398.66 | 84.47 | 5.44 |
| TECHNOLOGY SELECT SECTOR SPDR | 81369Y803 | 23.1930 | 91.67 | 2,126.10 | 0.03 | 2,015.08 | 111.02 | 1.16 |
| VANGUARD FTSE DEVELOPED ETF | 921943858 | 402.9600 | 44.06 | 17,754.42 | 0.25 | 17,308.95 | 445.47 | 3.04 |
| VANGUARD FTSE EMERGING MARKETS ETF | 922042858 | 337.5370 | 44.47 | 15,010.27 | 0.21 | 14,346.87 | 663.40 | 3.23 |
| VANGUARD REAL ESTATE ETF | 922908553 | 77.6360 | 92.79 | 7,203.84 | 0.10 | 7,194.08 | 9.77 | 3.39 |
| VANGUARD SMALLCAP GROWTH ETF | 922908595 | 27.6030 | 198.70 | 5,484.72 | 0.08 | 5,376.73 | 107.98 | 0.57 |
| VANGUARD SM-CAP VAL | 922908611 | 73.3040 | 137.07 | 10,047.78 | 0.14 | 9,787.36 | 260.42 | 0.77 |
| VANGUARD TOTAL BOND MARKET ETF | 921937835 | 401.9070 | 83.86 | 33,703.92 | 0.48 | 33,791.94 | (88.02) | 2.72 |
| ***Subtotal:*** | | | | ***566,498.22*** | ***8.00*** | ***560,002.91*** | | |
| **Total Equities** | | | | 7,075,561.87 | 99.92 | 7,067,691.44 | 7,870.46 | |
| **Grand Total All Assets** | | | | **7,081,295.66** | **100.00** | **7,067,691.44** | **7,870.46** | |

***IMPORTANT FORM 5500 SCHEDULE C DISCLOSURES***

May, 2014

Dear Customers,

Final revisions to Form 5500, including Schedule C, for service provider information is effective for plan years beginning on or after January 1, 2009. These changes modify the information required to be reported regarding plan service arrangements. Generally, plan sponsors of retirement plans with more than 100 participants will be required to report payments to service providers who directly or indirectly received $5000 or more in compensation based on services provided to the plan. This letter will help you better understand what is required by the revisions and how MG Trust Company, LLC (d/b/a Matrix Trust Company, "Matrix Trust") is prepared to help you provide the necessary reporting information to your clients.

**How Will Matrix Trust Handle Schedule C Reporting?**
The plan sponsor is responsible for completing the Form 5500, as well as monitoring the reportable Schedule C compensation paid to plan service providers. The following disclosures are being provided in order to assist you, and your clients, with these reporting requirements.

**Direct Compensation**
Schedule C defines Direct Compensation as payments made directly by the plan for services rendered to the plan. Direct payments by the plan would include: payments by the plan out of a plan account, charges to plan forfeiture accounts and fee recapture accounts, charges to a plan's trust account before allocations are made to individual participant accounts and direct charges to plan participant individual accounts. ***Direct Compensation paid to Matrix Trust from plan assets is reported on account statements.*** Please note that payments made by the plan sponsor for services which are not reimbursed by the plan are not subject to Schedule C reporting even if the sponsor paid for services rendered to the plan.

**Indirect Compensation**
Schedule C instructions define Indirect Compensation as compensation received from sources other than directly from the plan or plan sponsor. This may include:

- Fees and expense reimbursement payments from mutual funds, collective investment funds, insurance company pooled separate accounts, and other separately managed accounts in which the fees charged against the fund or account are reflected in the value of the plan's investment (such as sub-transfer agent fees, shareholder servicing fees, and 12b-1 fees)
- Finder's Fees
- Float revenue
- Brokerage Commissions

See "Administrative Fee" paragraph below for additional information.

**Eligible Indirect Compensation**

If indirect compensation can be classified as Eligible Indirect Compensation ("EIC") there is a simpler reporting requirement on Schedule C. EIC includes the indirect compensation listed above for which the plan sponsor has received written materials that disclose:

- The existence of the indirect compensation
- Services provided or the purpose for the compensation
- The amount of the compensation or the formula used to calculate the compensation
- The identity of the person or party paying and receiving the compensation

**Float Revenue**

Matrix Trust maintains various deposit accounts at FDIC-insured institutions to facilitate transactions for retirement plans. Matrix Trust receives earnings for the short-term period that the funds are held in its general deposit account. Matrix Trust, or its affiliates, may retain any earnings related to the balances held in the accounts between the time the moneys are received by Matrix Trust and actually forwarded to the investment provider as additional compensation. ***This compensation varies, but a* reasonable estimate based on a blend of rates is between .25 to .50%.** ***The earnings paid to Matrix Trust are considered "float." Float that is earned by Matrix Trust is EIC for Schedule C purposes. We are providing you the above Formula instead of an amount or estimated amount as permissible for reporting purposes.***

**Administrative Fee Reimbursement and Fee Collection Services**

Matrix Trust or an affiliate may facilitate the collection of revenue payments or administrative fee payments available from mutual funds or other investment funds (the "Fees") for the services provided by Matrix Trust or its affiliates or designees, the third party administrator ("TPA"), bank or trust company. (These Fees are outlined in the "Indirect Compensation" section of this letter). The actual dollar amount depends on each mutual fund or other investment fund's payment of Fees under its agreement with Matrix Trust's affiliate. Matrix Trust may retain a portion of the Fees as determined by the TPA or Bank based on their instructions and as specified in the TPA or bank's service agreement with Matrix Trust and its affiliates. For any questions regarding Fee retention, please refer your specific questions to your TPA or bank. ***Specific amounts of retained compensation are provided to the TPA or bank by Matrix Trust's affiliate through its invoice provided under the services agreement.***

**Additional Schedule C Information**

Matrix Financial Solutions, Inc.
717 17th Street, Ste 1300
Denver, CO 80202
Tax Identification Number: 20-1591048

**Bank of America Merrill Lynch Program**

For any of your clients who participate in the Bank of America Merrill Lynch *ML Connect* Program, please note that Merrill Lynch is providing disclosures directly to each plan sponsor. In addition, Merrill Lynch is providing Matrix Trust with an electronic copy of the data which will be made available as needed for any of your applicable plan accounts. For more information regarding the expanded Form 5500 Schedule C reporting requirements, please refer to the Department of Labor website at www.dol.gov/ebsa/faqs/faq_scheduleC.html.

Should you have any additional questions with regard to the information we have provided, please contact your Account Representative at (877) 610-3822.

Regards,

Matrix Trust Company