

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 1.5em; font-weight: bold;">2019</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2019 or fiscal plan year beginning <u>01/01/2019</u> and ending <u>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.)
B This return/report is:	☐ a single-employer plan ☐ a DFE (specify) _____ ☐ 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>OPTIMUM EMPLOYER SOLUTIONS RETIREMENT PLAN</u>	1b Three-digit plan number (PN) ▶	<u>001</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>OPTIMUM EMPLOYER SOLUTIONS</u> <u>2530 RED HILL AVE</u> <u>SUITE 200</u> <u>SANTA ANA, CA 92705</u>		1c Effective date of plan <u>05/23/2006</u>	2b Employer Identification Number (EIN) <u>76-0828248</u>
(Continuation of 2a)		2c Plan Sponsor's telephone number <u>949-650-7802</u>	2d Business code (see instructions) <u>621111</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.	10/15/2020	DEANNA WIETOR
	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 <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 1292
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 931 6a(2) 796 6b 0 6c 585 6d 1381 6e 0 6f 1381 6g 1000 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: 2K 2E 2F 2G 2J 2T 3D b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	

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

a Pension Schedules

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

b General Schedules

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

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

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

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

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

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

Receipt Confirmation Code _____

SCHEDULE 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 OPTIMUM EMPLOYER SOLUTIONS RETIREMENT PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 OPTIMUM EMPLOYER SOLUTIONS	D Employer Identification Number (EIN) 76-0828248	

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)

SLAVIC INTEGRATED ADMINISTRATION

65-0608221

(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?
15 37 38 50	TPA	164160	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

OPTIMUM EMPLOYER SOLUTIONS

76-0828247

(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?
14	PLAN ADMINISTRATOR	36568	Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

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

SLAVIC MUTUAL FUND MANAGEMENT

59-2749576

(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?
28 51	INVESTMENT MANAGEMENT	13705	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)

(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
(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
(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
(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) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2019 This Form is Open to Public Inspection
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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 OPTIMUM EMPLOYER SOLUTIONS RETIREMENT PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 OPTIMUM EMPLOYER SOLUTIONS	D Employer Identification Number (EIN) 76-0828248	

Part I	Asset and Liability Statement
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1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	411265	587533
(2) Participant contributions.....	1b(2)	233382	195403
(3) Other.....	1b(3)	8549	8494
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)	611054	652613
(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)	24838767	33629833
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(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	26103017	35073876

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	26103017	35073876
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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)	1831557	
(B) Participants	2a(1)(B)	3883855	
(C) Others (including rollovers)	2a(1)(C)	895794	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		6611206
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)	30642	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		30642
(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)	702777	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		702777
(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)		5243939
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		12588564

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	3447639	
(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)		3447639
f Corrective distributions (see instructions)	2f		26471
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)	1180	
(2) Contract administrator fees	2i(2)	200727	
(3) Investment advisory and management fees	2i(3)	13705	
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		215612
j Total expenses. Add all expense amounts in column (b) and enter total	2j		3689722

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		8898842
l Transfers of assets:			
(1) To this plan	2l(1)		3430796
(2) From this plan	2l(2)		3358779

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: **KMJ CORBIN AND COMPANY LLP**

(2) EIN: **81-0569753**

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

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

Part IV Compliance Questions

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

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X	
4d		X	
e Was this plan covered by a fidelity bond?	X		215000
4e	X		215000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)		X	
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
4k		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	X		
4m	X		
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	X		
4n	X		

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

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)
NETTRESULTS, LLC 401(K) PLAN	38-3720447	001
NEXTEP 401(K) RETIREMENT SAVINGS PLAN	73-1543198	333
VEOLIA NORTH AMERICA 401(K) SAVINGS PLAN	26-2756568	001
VNS FEDERAL SERVICES, LLC EMPLOYEE 401(K) PROFIT SHARING PLAN	82-0448833	001

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>OPTIMUM EMPLOYER SOLUTIONS RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>OPTIMUM EMPLOYER SOLUTIONS</u>	D Employer Identification Number (EIN) <u>76-0828248</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	
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>65-0708495</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_____

OPTIMUM EMPLOYER SOLUTIONS RETIREMENT PLAN

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL SCHEDULE**

As of December 31, 2019 and 2018

with

INDEPENDENT AUDITORS' REPORT THEREON

OPTIMUM EMPLOYER SOLUTIONS RETIREMENT PLAN

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Financial Statements:	
Statements of Net Assets Available for Benefits as of December 31, 2019 and 2018	3
Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2019	4
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Schedule I: Schedule H, Line 4i - Schedule of Assets (Held at End of Year) as of December 31, 2019	12

Note: All other schedules have been omitted since the information is either disclosed elsewhere in the financial statements or not required by 29 CFR 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Independent Auditors' Report

To the Plan Administrator and Participants
Optimum Employer Solutions Retirement Plan

We have audited the accompanying financial statements of Optimum Employer Solutions Retirement 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 and supplemental schedule that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2019 and 2018, and the changes in net assets available for benefits for the year ended December 31, 2019 in accordance with accounting principles generally accepted in the United States of America.

Report on Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule as listed in the accompanying index is presented for the purpose of additional analysis and is 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. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

KMJ Corbin & Company LLP

KMJ Corbin & Company LLP

Irvine, California

October 14, 2020

OPTIMUM EMPLOYER SOLUTIONS RETIREMENT PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	December 31,	
	2019	2018
<hr/>		
ASSETS		
Investments, at fair value:		
Mutual funds	\$ <u>33,629,833</u>	\$ <u>24,838,767</u>
Receivables:		
Participant loans	652,613	611,054
Employee deferral contributions	195,403	233,382
Employer contribution match	587,533	411,265
Other	<u>8,494</u>	<u>8,549</u>
Total receivables	<u>1,444,043</u>	<u>1,264,250</u>
Total assets	<u>35,073,876</u>	<u>26,103,017</u>
LIABILITIES		
Corrective participant contributions payable	<u>31,660</u>	<u>26,471</u>
NET ASSETS AVAILABLE FOR BENEFITS	\$ <u>35,042,216</u>	\$ <u>26,076,546</u>

See accompanying notes to financial statements

OPTIMUM EMPLOYER SOLUTIONS RETIREMENT PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	For The Year Ended December 31, 2019
Additions to net assets attributed to:	
Investment income:	
Net appreciation in fair value of investments	\$ 5,243,939
Interest and dividends	<u>702,777</u>
Investment income	<u>5,946,716</u>
Contributions:	
Participant	3,853,095
Employer	1,830,657
Rollover	<u>895,794</u>
Total contributions	6,579,546
Participant loan interest	30,642
Conversions (plan take overs), net	<u>72,017</u>
Total additions	<u>12,628,921</u>
Deductions from net assets attributed to:	
Benefits paid to participants	3,447,639
Administrative fees	<u>215,612</u>
Total deductions	<u>3,663,251</u>
Net increase in net assets available for benefits	8,965,670
Net assets available for benefits, beginning of year	<u>26,076,546</u>
Net assets available for benefits, end of year	<u>\$ 35,042,216</u>

See accompanying notes to financial statements

OPTIMUM EMPLOYER SOLUTIONS RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

NOTE 1 - DESCRIPTION OF PLAN

The following description of the Optimum Employer Solutions Retirement Plan (the "Plan") provides only general information about the Plan. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan was originally adopted on May 23, 2006 to qualify as a defined contribution retirement plan for Optimum Employer Solutions, LLC's (the "Plan Sponsor") eligible employees. This Plan was established for the purpose of providing retirement benefits to the Plan Sponsor's eligible employees in accordance with the Plan. The Plan is intended to satisfy the provisions of Section 401(k) of the Internal Revenue Code ("IRC") of 1986, as amended. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"). The Plan is a multiple-employer plan and each client of the Plan Sponsor (employer) sets the eligibility, matching, and vesting terms specific to their participants under a separate adoption agreement.

Plan Administration

The Plan Sponsor is the Plan's administrator and Slavic Integrated Administration ("Slavic") is the Plan's trustee and record keeper. Slavic maintains an investment agreement with Fidelity Life Insurance Company (the "Custodian").

Contributions

Each participant may elect to contribute a prescribed percentage of his or her compensation to the Plan, subject to certain IRC limitations, up to a maximum amount of \$19,000 for the 2019 Plan year. Participants that are 50 years of age or older who have met the IRC annual deferral limit may contribute a catch-up contribution of up to \$6,000 for 2019. Participants may also rollover amounts representing distributions from other qualified plans. In addition, participants may elect to contribute a percentage of eligible compensation into the Plan on an after-tax basis.

All contributions to each participant's account are self-directed by the participant in one or more of the investments offered under the Plan.

OPTIMUM EMPLOYER SOLUTIONS RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

NOTE 1 - DESCRIPTION OF PLAN, continued

Forfeited Amounts

Forfeited amounts from terminating participants' non-vested accounts are used to reduce employer contributions for the Plan year immediately following the Plan year in which the forfeiture occurs. For the year ended December 31, 2019, employer contributions were reduced by \$2,805 for forfeited non-vested amounts. At December 31, 2019, forfeited non-vested balances totaled \$3,300.

Participants' Accounts

Individual accounts are maintained for each of the Plan's participants to reflect each participant's contributions and related employer contributions, as well as each participant's share of the Plan's income and any related administrative expenses. Allocations of the Plan income and expenses are based on the proportion that each participant's account balance bears to the total of all participant account balances. 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 including death, disability or retirement, a participant may elect to receive an amount equal to the value of the participant's vested interest in his or her account. These payments may be paid in a lump sum payment or paid in installments over time.

Hardship Withdrawals

A withdrawal from a participant's account may be permitted if the participant has a financial hardship for certain specific reasons as defined in the Plan document. For the year ended December 31, 2019, the Plan had hardship withdrawals totaling \$64,918.

Basis of Accounting

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

OPTIMUM EMPLOYER SOLUTIONS RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Investment Valuation

Investments are stated at fair value (see Note 4). Net appreciation or depreciation in fair value of investments for the period is reflected in the accompanying statement of changes in net assets available for benefits. Purchases and sales of securities are reflected on a trade-date basis. Interest income is recorded on an accrual basis.

Payment of Benefits

Benefits are recorded when paid to participants. Participants terminating employment are entitled to a distribution of their vested portion of accrued benefits.

Participant Loans

Participants may borrow from their accounts up to 50% of their vested account balance up to a maximum of \$50,000. The loans are secured by the balance in the participant's account and must be repaid at a fixed interest rate, which is commensurate with local prevailing rates. Loans must be repaid within five years, unless the loan was for the purchase of a principal residence. In this case, the repayment period may be extended.

Corrective Participant

Amounts payable to participants for contributions in excess of amounts allowed by the IRS are recorded as a liability with a corresponding reduction to contributions. The Plan distributed the 2019 excess contributions to the applicable participants prior to March 30, 2020. The Plan distributed the 2018 excess contributions to the applicable participants prior to March 15, 2019.

Administrative Fees

Certain administrative functions are performed by officers or employees of the Company; no such officer or employee receives compensation from the Plan for these services. Certain of the Plan's expenses are paid by the participants and certain expenses are paid by the Company, as provided by the Plan document. Investment-related expenses are included in net appreciation in fair value of investments.

OPTIMUM EMPLOYER SOLUTIONS RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

NOTE 3 - INVESTMENT OPTIONS

Contributions made on behalf of the participants are invested in various funds according to participant elections. Participants may direct the investment contribution into the various options offered by the Plan. Participants may change investment elections at any time via telephone or via Internet access with Slavic.

NOTE 4 - FAIR VALUE MEASUREMENTS

The Plan measures fair value of its investments in accordance with Accounting Standards Codification Topic 820 (“ASC 820”). ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal, or in the absence of a principal market, the most advantageous market for the asset or liability, in an orderly transaction between market participants on the measurement date. ASC 820 also establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs in priority that may be used to measure fair value:

Level 1—Quoted prices in active markets for identical assets or liabilities;

Level 2—Observable inputs other than quoted prices included within Level 1, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; inputs other than quoted prices that are observable for the asset or liability (such as interest rates and yield curves, credit risks, and default rates) or other inputs that are principally derived from or corroborated by observable market data by correlation or by other means; and

Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The following is a description of the valuation methodologies used for the investments measured at fair value, including the general classification of such investments pursuant to the valuation hierarchy.

Mutual Funds

The fair value of the Plan’s investments in mutual funds is based upon quoted prices in active markets, which represent the net asset value of shares held, classified as Level 1 investments.

OPTIMUM EMPLOYER SOLUTIONS RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

NOTE 4 - FAIR VALUE MEASUREMENTS, continued

As of December 31, 2019, the Plan's investments measured at fair value on a recurring basis were as follows:

	December 31, 2019			Total
	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Assets				
Mutual funds	<u>\$33,629,833</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,629,833</u>

As of December 31, 2018, the Plan's investments measured at fair value on a recurring basis were as follows:

	December 31, 2018			Total
	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Assets				
Mutual funds	<u>\$24,838,767</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,838,767</u>

NOTE 5 - INCOME TAX STATUS

Effective January 1, 2016, the Plan was amended to adopt a prototype plan offered by Slavic. Slavic received a favorable determination letter from the Internal Revenue Service ("IRS") for its prototype 401(k) plan on March 31, 2014. The Company conforms the operations of the Plan to the prototype plan, thereby allowing the Company to rely on Slavic's current and future IRS determination letters. The Plan administrator believes the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC. Continued qualification is dependent on the Plan's future operations.

In accordance with U.S. GAAP, the Plan administrator is required to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain income tax position that is more-likely-than not to be sustained upon audit by the Internal Revenue Service ("IRS"). An uncertain income tax position will not be recognized if it has less than a 50% likelihood of being sustained. 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 the recognition of a liability (or asset) or disclosure in the

OPTIMUM EMPLOYER SOLUTIONS RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

NOTE 5 - INCOME TAX STATUS, continued

financial statements. The Plan administrator does not foresee material changes to the gross uncertain income tax position liability (or asset) of the Plan within the next twelve months. The Plan is subject to routine audits by the IRS, however, there are currently no audits for any tax periods in progress. The Plan administrator believes the Plan is no longer subject to income tax examinations for years prior to 2016.

NOTE 6 - PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan agreement to discontinue its contributions at any time and terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become fully vested in their account balances.

NOTE 7 - RELATED PARTY TRANSACTIONS

The Plan has investments with the Custodian. The Plan has incurred certain administrative fees with Slavic and the Custodian. In addition, the Plan has loans with its participants. Slavic, the Custodian and the Plan participants are considered parties-in-interest under ERISA. All of these transactions are considered exempt party-in-interest transactions under ERISA.

NOTE 8 - RISKS AND UNCERTAINTIES

The Plan provides for investments in any combination of investment funds with different investment strategies. These investment funds are exposed to various risks, such as interest rate, market and credit. Due to the level of risk associated with certain investments and the level of uncertainty related to changes in the value of investments, it is at least reasonably possible that changes in risks in the near term would materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits and the statement of changes in net assets available for benefits.

NOTE 9 - RECONCILIATION TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500 as of December 31, 2019:

Net assets available for benefits per financial statements	\$ 35,042,216
Corrective participant contributions payable	<u>31,660</u>
Net assets available for benefits per Form 5500	\$ <u>35,073,876</u>

OPTIMUM EMPLOYER SOLUTIONS RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

NOTE 9 - RECONCILIATION TO FORM 5500, continued

The following is a reconciliation of the net increase in net assets available for benefits per the financial statements to the increase in net assets available for benefits per the Form 5500 for the year ended December 31, 2019:

Net increase in net assets available for benefits per the financial statements	\$ 8,965,670
Add: corrective distributions accrued in 2019 and paid in 2020	31,660
Less: corrective distributions accrued in 2018 and paid in 2019	<u>(26,471)</u>
Increase in net assets available for benefits per the Form 5500	<u>\$ 8,970,859</u>

NOTE 10 - SUBSEQUENT EVENTS

In December 2019, a novel strain of coronavirus disease ("COVID-19") was first reported in Wuhan, China. Less than four months later, on March 11, 2020, the World Health Organization declared COVID-19 a global pandemic. The extent of COVID-19's effect on the Plan's performance will depend on future developments, including the duration, spread, intensity of the pandemic and the potential further financial market instability, all of which are uncertain and difficult to predict considering the rapidly evolving landscape. The Plan is currently analyzing the potential impacts on its investments and overall performance. At this time, it is not possible to determine the magnitude of the overall impact of COVID-19 on the Plan. However, it could have a material adverse effect on the Plan.

On March 27, 2020, Congress passed the Coronavirus, Aid, Relief, and Economic Security ("CARES") Act which is intended to provide economic relief to retirement plan sponsors and participants in the midst of the global COVID-19 pandemic. Under the CARES Act, changes were made impacting certain provisions of qualified retirement plans, including participant loans and distributions. In 2020, the Plan adopted certain of the CARES Act provisions, which extended loan repayment terms and waived penalties for certain early withdrawals.

Except as stated above, the Company has evaluated and determined that no events have occurred subsequent to the balance sheet date and through October 14, 2020, the date of issuance of these financial statements, which would require recording or disclosure in its financial statements.

OPTIMUM EMPLOYER SOLUTIONS RETIREMENT PLAN

Plan #001

EIN #76-0828248

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

As of December 31, 2019

(a)	(b)	(c)	(e)
	Identity of Issuer, Borrower, Lessor or Similar Party	Description of investment including maturity date, rate of interest, collateral, par or maturity value	Current Value
	<u>Mutual Funds</u>		
	American Funds	American Funds EuroPacific R6	\$ 771,843
	American Funds	American Funds New Perspective R6	201,869
	BlackRock	iShares MSCI EAFE International Index K	1,171,601
	DFA	DFA Emerging Markets Core Equity	718,923
	DFA	DFA Inflation Protected SEC Port	39,298
	Fidelity	Fidelity US Bond Index Premium	714,649
	Highmark	Nationwide Ziegler NYSE Arca Tech 100 in	540,634
	JPMorgan	JPMorgan Core Plus Bond Fund R6	260,602
	JPMorgan	JPMorgan US Research Enhanced Equity L	71,174
	Principal	Principal Investors High Yield II	404,547
	Vanguard	Vanguard Intermediate-Term Bond Index Ad	150,898
	Vanguard	Vanguard Short-Term Bond Index Admiral	386,244
	Vanguard	Vanguard Energy Index Admiral	104,968
	Vanguard	Vanguard Target Retirement 2055	503,890
	Vanguard	Vanguard 500 Index Admiral	3,530,764
	Vanguard	Vanguard Target Retirement 2050	1,124,644
	Vanguard	Vanguard Target Retirement 2040	1,835,571
	Vanguard	Vanguard Real Estate Index Admiral	261,721
	Vanguard	Vanguard Growth Index Admiral	1,035,347
	Vanguard	Vanguard Mid Cap Index Admiral	343,429
	Vanguard	Vanguard Industrial Index Admiral	335,044
	Vanguard	Vanguard Information Tech Index Admiral	423,833
	Vanguard	Vanguard Target Retirement 2065 Inv	111,315
	Vanguard	Vanguard Federal Money Market	1,073,767
	Vanguard	Vanguard Mid Cap Growth Index Admiral	288,374
	Vanguard	Vanguard Mid Cap Value Index Admiral	233,894
	Vanguard	Vanguard Small Cap Growth Index Admiral	547,708
	Vanguard	Vanguard Short-Term Federal Admiral	1,801,664
	Vanguard	Vanguard Small Cap Value Index Admiral	167,240
	Vanguard	Vanguard Small Cap Index Admiral	234,754
	Vanguard	Vanguard Short-Term Inf Prot Index Admir	72,259
	Vanguard	Vanguard Target Retirement 2030	1,131,223
	Vanguard	Vanguard Target Retirement 2045	1,742,223
	Vanguard	Vanguard Total Stock Market Index Admiral	5,748,789
	Vanguard	Vanguard Target Retirement 2035	3,782,658
	Vanguard	Vanguard Target Retirement 2060	299,412
	Vanguard	Vanguard Target Retirement 2025	590,504
	Vanguard	Vanguard Target Retirement 2020	319,401
	Vanguard	Vanguard Target Retirement 2015	269,307
	Vanguard	Vanguard Value Index Admiral	283,848
			33,629,833
	<u>Participant Loans</u>		
	* Participant loans	Interest rates between 4.25% and 6.50% with maturity dates between 2020 and 2026	652,613
			\$ 34,282,446

* Represents a party-in-interest

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

OPTIMUM EMPLOYER SOLUTIONS

Plan # 001

EIN # : 76-0828247

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date rate of interest, collateral, par, or maturity value	(d) cost	(e) Current value
	American Funds	RERGX - American Funds EuroPacifc R6		771,843
	American Funds	RNPGX - American Funds New Perspective R6		201,869
	BlackRock	BTMKX - iShares MSCI EAFE International Index K		1,171,601
	DFA	DFCEX - DFA Emerging Markets Core Equity		718,923
	DFA	DIPSX - DFA Inflation Protected SEC Port		39,298
	Fidelity	FXNAX - Fidelity US Bond Index		714,649
	Highmark	NWJFX - Nationwide Ziegler NYSE Arca Tech 100 In		540,634
	JPMorgan	JCPUX - JPMorgan Core Plus Bond Fund R6		260,602
	JPMorgan	JPIEX - JPMorgan US Research Enhanced Equity L		71,174
	Principal	PHYTX - Principal Investors High Yield II		404,547
	Vanguard	VBILX - Vanguard Intermediate-Term Bond Index Ad		150,898
	Vanguard	VBIRX - Vanguard Short-Term Bond Index Admiral		386,243
	Vanguard	VENAX - Vanguard Energy Index Admiral		104,968
	Vanguard	VFFVX - Vanguard Target Retirement 2055		503,891
	Vanguard	VFIAX - Vanguard 500 Index Admiral		3,530,764
	Vanguard	VFIFX - Vanguard Target Retirement 2050		1,124,644
	Vanguard	VFORX - Vanguard Target Retirement 2040		1,835,571
	Vanguard	VGSLX - Vanguard Real Estate Index Admiral		261,721
	Vanguard	VIGAX - Vanguard Growth Index Admiral		1,035,347
	Vanguard	VIMAX - Vanguard Mid Cap Index Admiral		343,429
	Vanguard	VINAX - Vanguard Industrial Index Admiral		335,044
	Vanguard	VITAX - Vanguard Information Technology Index Ad		423,832
	Vanguard	VLXVX - Vanguard Target Retirement 2065 Inv		111,315
	Vanguard	VMFXX - Vanguard Federal Money Market		1,073,767
	Vanguard	VMGMX - Vanguard Mid Cap Growth Index Admiral		288,374
	Vanguard	VMMXX - Vanguard Money Market Prime		-
	Vanguard	VMVAX - Vanguard Mid Cap Value Index Admiral		233,894
	Vanguard	VSGAX - Vanguard Small Cap Growth Index Adm		547,708
	Vanguard	VSGDX - Vanguard Short-Term Federal Admiral		1,801,664
	Vanguard	VSIAX - Vanguard Small Cap Value Index Adm		167,240
	Vanguard	VSMAX - Vanguard Small Cap Index Admiral		234,754
	Vanguard	VTAPX - Vanguard Short-Term Inf Prot Index Admir		72,259
	Vanguard	VTHRX - Vanguard Target Retirement 2030		1,131,223
	Vanguard	VTINX - Vanguard Target Retirement Income		-
	Vanguard	VTIVX - Vanguard Target Retirement 2045		1,742,223
	Vanguard	VTSEX - Vanguard Total Stock Market Index Admira		5,748,789
	Vanguard	VTTHX - Vanguard Target Retirement 2035		3,782,658
	Vanguard	VTTSX - Vanguard Target Retirement 2060		299,412
	Vanguard	VTTVX - Vanguard Target Retirement 2025		590,504
	Vanguard	VTWNX - Vanguard Target Retirement 2020		319,401
	Vanguard	VTXVX - Vanguard Target Retirement 2015		269,307
	Vanguard	VVIAX - Vanguard Value Index Admiral		283,848
	Participant Loan	4.25% to 6.5%		652,613

Multiple-Employer Plan Participating Employer Information

OPTIMUM EMPLOYER SOLUTIONS PLAN #:001 EIN # : 76-0828247		
(a) Name of participating employer	(b) EIN	(c) Percent of Total Contributions
Bird Barrier America, Inc	33-0639211	0.10%
California Preferred Escrow	46-2769569	0.66%
CASE Systems, Inc.	35-2334632	3.92%
Comprehensive Rx	46-2857576	0.11%
Corner Escrow Inc	32-0214493	6.77%
Crew Knitwear, LLC	46-5379027	5.49%
East Bay School for Boys	27-0583382	1.91%
Exotic Pebbles & Aggregates, Inc.	90-0787344	1.69%
Glendon Capital Management LP / Glendon Services LP	46-1394333	14.76%
Gorilla Stationers LLC	45-5290420	0.29%
GPI US, Inc./BeGlobal Foundation	90-0896671	0.56%
GRIFFIN STRUCTURES, INC.	33-0756139	2.13%
Hitec RCD USA, Inc.	27-1719165	0.11%
J.Racenstein Company, LLC	20-2525066	0.04%
John M Cruikshank Consultants Inc. dba JMC2	95-4863352	0.13%
Kamus & Keller Inc.	20-3053055	1.04%
KCR U.S., Inc.	27-3763130	1.05%
Ken Okamoto & Associates, Inc. DB	33-0162916	0.11%
Kens Trading Co. Inc	95-3541750	0.36%
Latino Theater Company	95-4572361	0.22%
Lindsey & Lindsey Wealth Management, Inc.	45-4482060	1.92%
Mack Real Estate Development LLC	46-3280146	3.40%
National Medication Management	47-4846374	0.33%
NettResults, LLC	38-3720447	0.06%
Nick's Custom Golf Cars	68-0187696	0.02%
NMS Capital Asset Management, Inc.	26-4653699	0.52%
Optimum Employer Solutions	76-0828248	2.34%
Pacific Pulse Inc. dba Firewire Surfboards	20-4503124	2.00%
Paydarfar Industries Inc.dba Saratech/Automotion LLC Tech-30	90-0063939	10.54%
Point Mortgage, Inc	59-3101031	11.30%
Rock Synergies	82-3360117	0.63%
S4i Systems, Inc.	81-0559317	0.02%
Secured Retail Networks, Inc	20-8288981	4.68%
Sign Specialists Corporation	33-0956642	3.50%
Skeiron Real Estate LLC	83-1114832	0.29%
Strategic Development Solutions	56-2570840	4.04%
SvagosTechnik	83-1114760	2.52%
The Mark Condominium Owners Association	20-3845873	1.15%
Thorsnes & Drimmer Litigation Services LLC	56-2602533	1.51%
Veolia Nuclear Solutions, Inc.	26-3527299	0.65%
VM Medical Billing	46-2920569	1.25%
West Edge Inc. DBA Coldwell Banker West	57-1200800	1.46%
Woodspear Properties	95-3804902	3.23%
Young Interventions, Inc.	26-2867369	1.20%